

STATE OF NEW JERSEY
SINGLE AUDIT REPORT
YEAR ENDED JUNE 30, 2025

**Independent Auditors' Report on the
Schedule of Expenditures of Federal Awards**

**Independent Auditors' Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on an
Audit of the Schedule of Expenditures of Federal Awards
Performed in Accordance with *Government Auditing Standards***

**Independent Auditors' Report on Compliance
for Each Major Federal Program and Report on
Internal Control Over Compliance
Required by the *Uniform Guidance***



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**STATE OF NEW JERSEY
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2025**

INDEPENDENT AUDITORS' REPORT	1
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	4
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE <i>UNIFORM GUIDANCE</i>	6
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	11
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	21
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	25



INDEPENDENT AUDITORS' REPORT

Governor
State of New Jersey

Report on the Audit of the Schedule of Expenditures of Federal Awards

Opinion

We have audited the accompanying schedule of expenditures of federal awards (the Schedule) of the State of New Jersey for the year ended June 30, 2025, and the related notes to the Schedule.

In our opinion, the Schedule referred to above presents fairly, in all material respects, the expenditures of federal awards of the State of New Jersey for the year ended June 30, 2025, in accordance with the cash basis of accounting described in Note 2.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of the Schedule of Expenditures of Federal Awards section of our report. We are required to be independent of the State of New Jersey and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 of the Schedule, which describes the basis of accounting. The Schedule is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Schedule of Expenditures of Federal Awards

Management is responsible for the preparation and fair presentation of the Schedule in accordance with the cash basis of accounting described in Note 2, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the Schedule in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Schedule of Expenditures of Federal Awards

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:


- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, whether due to fraud, or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State of New Jersey's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Schedule.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Governor
State of New Jersey

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026 on our consideration of the State of New Jersey's internal control over financial reporting of the Schedule and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the State of New Jersey's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State of New Jersey's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Baltimore, Maryland
March 27, 2026



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Governor
State of New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the schedule of federal awards (the Schedule), and related notes of the State of New Jersey, for the year ended June 30, 2025 and have issued our report thereon dated March 27, 2026.

Our report on the Schedule included an emphasis of matter paragraph describing the basis of accounting described in Note 2 of the Schedule.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered the State of New Jersey's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Schedule, but not for the purpose of expressing an opinion on the effectiveness of State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of State of New Jersey's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's Schedule will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State of New Jersey’s Schedule is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the Schedule. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
March 27, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
 FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
 REQUIRED BY THE *UNIFORM GUIDANCE***

Governor
 State of New Jersey

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the State of New Jersey's (the State) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2025. The State's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Summary of Opinions

Major Federal Program/Cluster	Assistance Listing	Type of Opinion
WIOA Cluster	17.258, 17.259, 17.278	Qualified
Temporary Assistance for Needy Families	93.558	Qualified
CCDF Cluster	93.575, 93.596	Qualified
Summer Electronic Benefit Transfer Program for Children	10.646	Unmodified
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	Unmodified
Child and Adult Care Food Program	10.558	Unmodified
CDBG Disaster Recovery Cluster	14.269, 14.272	Unmodified
Coronavirus Capital Projects Fund	21.029	Unmodified
Clean Water State Revolving Fund	66.458	Unmodified
Title I Grants to Local Educational Agencies	84.01	Unmodified
Special Education (IDEA) Cluster	84.027, 84.173	Unmodified
Student Support and Academic Enrichment Program	84.424	Unmodified
Social Services Block Grant	93.667	Unmodified
Medicaid Cluster	93.775, 93.777, 93.778	Unmodified
Opioid STR	93.788	Unmodified
Block Grants for Prevention and Treatment of Substance Abuse	93.959	Unmodified
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Unmodified

Qualified Opinions on Certain Major Federal Programs Identified in the Preceding Table

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the identified programs for the year ended June 30, 2025.

Unmodified Opinion on Each of the Other Major Federal Programs Identified in the Preceding Table

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2025.

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors’ Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State’s compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinions on Certain Major Federal Programs

As described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding the following:

Program	Assistance Listing	Noncompliance	Finding Number
WIOA Cluster	17.258, 17.259, 17.278	Reporting – FFATA	2025-003
Temporary Assistance for Needy Families	93.558	Reporting – FFATA	2025-006
CCDF Cluster	93.575, 93.596	Reporting – FFATA	2025-007

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to that program.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the State's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2025-001, 2025-002, 2025-004, 2025-005, 2025-008, 2025-009, and 2025-010. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-003, 2025-006, and 2025-007 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-001, 2025-002, 2025-004, 2025-005, 2025-008, 2025-009, and 2025-010 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Governor
State of New Jersey

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Baltimore, Maryland
March 27, 2026

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture			
COVID-19 - Plant and Animal Disease, Pest Control, and Animal Care	10.025	\$ 280,368	\$ -
Plant and Animal Disease, Pest Control, and Animal Care		1,488,726	-
Total Plant and Animal Disease, Pest Control, and Animal Care	10.025	1,769,094	-
Specialty Crop Block Grant Program - Farm Bill	10.170	1,009,304	760,350
Organic Certification Cost Share Programs	10.171	68,575	-
COVID-19 - Pandemic Relief Activities: Local Food Purchase Agreements with States, Tribes, and	10.182	8,809,667	8,803,874
Local Food for Schools Cooperative Agreement Program	10.185	2,321,476	2,321,476
The Emergency Food Assistance Program (TEFAP) Commodity Credit Corporation Eligible Recipients	10.187	216,000	216,000
COVID-19 - Resilient Food System Infrastructure Program	10.190	1,971,389	1,962,155
Commodity Credit Corporation (CCC) Funding to Alleviate Emergency Supply Chain Disruption in	10.194	756	756
State Mediation Grants	10.435	56,544	-
Child Nutrition-Technology Innovation Grant	10.541	182,494	-
<i>SNAP Cluster:</i>			
Supplemental Nutrition Assistance Program	10.551	1,973,168,728	-
COVID-19 - State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	2,529	-
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program		237,393,606	9,277,128
Total State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	237,396,135	9,277,128
Total SNAP Cluster		2,210,564,863	9,277,128
<i>Child Nutrition Cluster:</i>			
School Breakfast Program	10.553	137,260,730	137,260,730
National School Lunch Program	10.555	372,839,432	372,839,432
Special Milk Program for Children	10.556	83,771	83,771
Summer Food Service Program for Children	10.559	18,818,970	18,217,055
Fresh Fruit and Vegetable Program	10.582	5,540,181	5,378,299
Total Child Nutrition Cluster		534,543,084	533,779,287
COVID-19 - WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	482,132	175,776
WIC Special Supplemental Nutrition Program for Women, Infants, and Children		215,189,837	33,427,411
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	215,671,969	33,603,187
Child and Adult Care Food Program	10.558	121,760,200	120,271,926
State Administrative Expenses for Child Nutrition	10.560	10,857,820	-
<i>Food Distribution Cluster:</i>			
Commodity Supplemental Food Program	10.565	644,903	640,216
COVID-19 - Emergency Food Assistance Program (Administrative Costs)	10.568	1,785,548	1,785,548
Emergency Food Assistance Program (Administrative Costs)		3,887,058	2,516,145
Total Emergency Food Assistance Program (Administrative Costs)	10.568	5,672,606	4,301,693
Emergency Food Assistance Program (Food Commodities)	10.569	31,773,805	-
Total Food Distribution Cluster		38,091,314	4,941,909
WIC Farmers' Market Nutrition Program (FMNP)	10.572	1,063,936	24,127
COVID-19 - Senior Farmers Market Nutrition Program	10.576	526,597	46,150
Senior Farmers Market Nutrition Program		924,727	46,269
Total Senior Farmers Market Nutrition Program	10.576	1,451,324	92,419
SNAP Partnership Grant	10.577	68,502	-
COVID-19 - Child Nutrition Discretionary Grants Limited Availability	10.579	261,038	261,038
Child Nutrition Discretionary Grants Limited Availability		529,104	529,104
Total Child Nutrition Discretionary Grants Limited Availability	10.579	790,142	790,142
COVID-19 - Farm to School State Formula Grant	10.645	337,773	2,703
Summer Electronic Benefit Transfer Program for Children	10.646	81,293,877	415,000
COVID-19 - Pandemic EBT Administrative Costs	10.649	293,355	-
Cooperative Forestry Assistance	10.664	921,651	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture (Continued)			
Forest Stewardship Program	10.678	\$ 7,306	\$ -
Forest Health Protection	10.680	74,289	-
State & Private Forestry Cooperative Fire Assistance	10.698	625,065	208,624
Partnership Agreements	10.699	7,612	-
Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	10.720	395,871	-
Inflation Reduction Act Urban & Community Forestry Program	10.727	199,958	-
Environmental Quality Incentives Program	10.912	12,500	12,500
Total U.S. Department of Agriculture		3,235,437,710	717,483,563
U.S. Department of Commerce			
Broadband Equity, Access, and Deployment Program	11.035	1,762,478	-
COVID-19 - Economic Adjustment Assistance	11.307	2,916,387	-
Interjurisdictional Fisheries Act of 1986	11.407	133,886	-
Coastal Zone Management Administration Awards	11.419	1,389,882	25,795
Regional Fishery Management Councils	11.441	598,670	-
COVID-19 - Unallied Management Projects	11.454	552,911	-
Office for Coastal Management	11.473	2,620,509	-
Atlantic Coastal Fisheries Cooperative Management Act	11.474	364,687	-
Total U.S. Department of Commerce		10,339,410	25,795
U.S. Department of Defense			
Military Construction, National Guard	12.400	5,222,713	-
National Guard Military Operations and Maintenance (O&M) Projects	12.401	38,164,313	-
National Guard Challenge Program	12.404	3,034,419	-
Contractual Agreements From Federal Government	12.CON	378,828	15,889
Total U.S. Department of Defense		46,800,273	15,889
U.S. Department of Housing and Urban Development			
COVID-19 - Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	5,742,593	5,586,489
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii		34,018,943	11,539,371
Total Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	39,761,536	17,125,860
COVID-19 - Emergency Solutions Grant Program	14.231	1,208,779	1,152,540
Emergency Solutions Grant Program		5,504,174	5,090,567
Total Emergency Solutions Grant Program	14.231	6,712,953	6,243,107
Supportive Housing Program	14.235	1,569,071	-
COVID-19 - Home Investment Partnerships Program	14.239	886,187	-
Home Investment Partnerships Program		5,687,415	162,360
Total Home Investment Partnerships Program	14.239	6,573,602	162,360
Housing Opportunities for Persons with AIDS	14.241	1,865,605	1,808,222
Continuum of Care Program	14.267	1,912,370	-
<i>Community Development Block Grant Disaster Recovery Grants Cluster:</i>			
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)	14.269	81,828,200	28,376,706
National Disaster Resilience Competition	14.272	239,128	155,996
Total Community Development Block Grant Disaster Recovery Grants Cluster		82,067,328	28,532,702
Housing Trust Fund	14.275	21,858,150	20,697,540
<i>Section 8 Project-Based Cluster:</i>			
Lower Income Housing Assistance Program Section 8 Moderate Rehabilitation	14.856	5,240,352	-
Total Section 8 Project-Based Cluster		5,240,352	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Housing and Urban Development (Continued)			
<i>Housing Voucher Cluster:</i>			
COVID-19 - Section 8 Housing Choice Vouchers	14.871	\$ 15,687,299	\$ 7,471
Section 8 Housing Choice Vouchers		<u>347,393,499</u>	<u>181,766</u>
Total Section 8 Housing Choice Vouchers	14.871	363,080,798	189,237
Mainstream Vouchers	14.879	<u>4,400,554</u>	<u>-</u>
Total Housing Voucher Cluster		367,481,352	189,237
Family Self-Sufficiency Program	14.896	<u>163,593</u>	<u>-</u>
Total U.S. Department of Housing and Urban Development		<u>535,205,912</u>	<u>74,759,028</u>
U.S. Department of the Interior			
Marine Minerals Activities	15.424	6,649	-
<i>Fish and Wildlife Cluster:</i>			
Sport Fish Restoration	15.605	2,638,649	-
Wildlife Restoration and Basic Hunter Education and Safety	15.611	<u>10,997,506</u>	<u>-</u>
Total Fish and Wildlife Cluster		13,636,155	-
Coastal Wetlands Planning, Protection and Restoration	15.614	69,788	-
Cooperative Endangered Species Conservation Fund	15.615	136,392	-
Clean Vessel Act	15.616	356,781	349,223
State Wildlife Grants	15.634	987,619	-
National Cooperative Geologic Mapping	15.810	62,625	-
National Geological and Geophysical Data Preservation	15.814	14,241	-
Historic Preservation Fund Grants-In-Aid	15.904	2,106,439	-
Outdoor Recreation Acquisition, Development and Planning	15.916	<u>1,224,635</u>	<u>-</u>
Total U.S. Department of the Interior		<u>18,601,324</u>	<u>349,223</u>
U.S. Department of Justice			
Missing Alzheimer's Disease Patient Assistance Program	16.015	23,845	-
Sexual Assault Services Formula Program	16.017	1,008,878	1,008,023
COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	2,777,986	-
Comprehensive Forensic DNA Analysis Grant Program	16.036	19,043	-
Forensics Training and Technical Assistance Program	16.044	10,086	-
Equal Employment Opportunity	16.101	225,000	-
Juvenile Justice and Delinquency Prevention	16.540	426,615	280,396
Missing Children's Assistance	16.543	933,695	-
Crime Victim Assistance	16.575	42,042,965	39,151,209
Crime Victim Compensation	16.576	6,948,963	3,532,743
Crime Victim Assistance/Discretionary Grants	16.582	4,673	-
Violence Against Women Formula Grants	16.588	3,373,141	2,643,536
State Criminal Alien Assistance Program	16.606	4,392,734	81,437
Public Safety Partnership and Community Policing Grants	16.710	5,985,328	408,786
PREA Program: Strategic Support for PREA Implementation	16.735	198,985	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	6,244,123	3,392,552
DNA Backlog Reduction Program	16.741	1,240,013	-
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	390,778	-
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	123,772	123,772
Support for Adam Walsh Act Implementation Grant Program	16.750	291,818	-
Economic, High-Tech, and Cyber Crime Prevention	16.752	80,705	-
Harold Rogers Prescription Drug Monitoring Program	16.754	2,142,124	-
Second Chance Act Reentry Initiative	16.812	321,710	-
John R. Justice Prosecutors and Defenders Incentive Act	16.816	67,854	-
Postconviction Testing of DNA Evidence	16.820	119,047	-
Children of Incarcerated Parents	16.831	231,646	79,270
National Sexual Assault Kit Initiative	16.833	758,217	-
Body Worn Camera Policy and Implementation	16.835	462,090	-
Comprehensive Opioid, Stimulant, and other Substances Use Program	16.838	2,370,861	2,278,585
STOP School Violence	16.839	48,552	-
Combatting Contraband Cell Phone Use in Prisons	16.844	136,438	-
Contractual Agreements From Federal Government	16.CON	<u>117,463</u>	<u>-</u>
Total U.S. Department of Justice		<u>83,519,148</u>	<u>52,980,309</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Labor			
Labor Force Statistics	17.002	\$ 2,003,246	\$ -
Compensation and Working Conditions	17.005	443,457	-
<i>Employment Services Cluster:</i>			
Employment Service/Wagner-Peyser Funded Activities	17.207	21,559,261	-
Jobs for Veterans State Grants	17.801	3,882,544	-
<i>Total Employment Services Cluster</i>		25,441,805	-
Local Veterans' Employment Representative Program	17.804	218,040	-
COVID-19 - Unemployment Insurance	17.225	4,958,026	-
Unemployment Insurance		2,912,477,651	-
<i>Total Unemployment Insurance</i>	17.225	2,917,435,677	-
Senior Community Service Employment Program	17.235	2,528,444	-
Trade Adjustment Assistance	17.245	547,627	-
<i>WIOA Cluster:</i>			
WIOA Adult Program	17.258	31,926,711	26,335,304
WIOA Youth Activities	17.259	28,168,927	27,187,377
WIOA Dislocated Worker Formula Grants	17.278	33,604,102	23,447,105
<i>Total WIOA Cluster</i>		93,699,740	76,969,786
Reentry Employment Opportunities	17.270	30,000	-
Work Opportunity Tax Credit Program (WOTC)	17.271	503,368	-
Temporary Labor Certification for Foreign Workers	17.273	577,812	-
Registered Apprenticeship	17.285	860,499	-
Occupational Safety and Health State Program	17.503	2,130,729	-
Consultation Agreements	17.504	1,530,549	-
Mine Health and Safety Grants	17.600	84,652	-
Total U.S. Department of Labor		3,048,035,645	76,969,786
U.S. Department of Transportation			
COVID-19 - Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	32,268	-
Airport Improvement Program		561,929	-
<i>Total Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs</i>	20.106	594,197	-
COVID-19 - Highway Planning and Construction	20.205	16,058,098	-
Highway Planning and Construction		1,289,209,184	84,606,891
<i>Total Highway Planning and Construction</i>	20.205	1,305,267,282	84,606,891
<i>FMCSA Cluster:</i>			
Motor Carrier Safety Assistance	20.218	9,591,261	-
Motor Carrier Safety Assistance High Priority Activities Grants and Cooperative Agreements	20.237	402,922	-
<i>Total FMCSA Cluster</i>		9,994,183	-
Recreational Trails Program	20.219	1,976,760	-
Commercial Driver's License Program Implementation Grant	20.232	738,861	-
Rail Fixed Guideway Public Transportation System State Safety Oversight Formula	20.301	3,483	-
Rail Fixed Guideway Public Transportation System State Safety Oversight Formula Grant Program	20.528	1,050,187	-
National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements	20.614	189,271	-
<i>Highway Safety Cluster:</i>			
State and Community Highway Safety	20.600	12,271,713	6,146,088
National Priority Safety Programs	20.616	10,243,257	5,553,364
<i>Total Highway Safety Cluster</i>		22,514,970	11,699,452
Pipeline Safety Program State Base Grant	20.700	502,395	-
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	303,728	130,581
State Damage Prevention Program Grants	20.720	174,058	-
PHMSA Pipeline Safety Program One Call Grant	20.721	94,826	-
Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program	20.941	639,034	-
Total U.S. Department of Transportation		1,344,043,235	96,436,924

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of the Treasury			
COVID-19 - Emergency Rental Assistance Program	21.023	\$ 11,665,185	\$ -
COVID-19 - Coronavirus State And Local Fiscal Recovery Funds	21.027	1,412,755,742	358,922,892
COVID-19 - Coronavirus Capital Projects Fund	21.029	28,023,084	26,873,650
COVID-19 - Unassigned Catalog Numbers From Federal Government	21.UNA	39,744	-
Total U.S. Department of the Treasury		1,452,483,755	385,796,542
Equal Employment Opportunity Commission			
Employment Discrim-Title VII Of The Civil Rights Act Of 1964	30.001	184,524	-
Total Equal Employment Opportunity Commission		184,524	-
National Endowment for the Arts			
Promotion of the Arts Partnership Agreements	45.025	1,197,411	293,719
Total National Endowment for the Arts		1,197,411	293,719
Small Business Administration			
State Trade Expansion	59.061	486,034	357,633
Total Small Business Administration		486,034	357,633
Department of Veterans Affairs			
COVID-19 - Grants to States for Construction of State Home Facilities	64.005	311,374	-
Veterans State Nursing Home Care	64.015	41,241,459	-
Burial Expenses Allowance for Veterans	64.101	1,471,981	-
Vocational and Educational Counseling for Servicemembers and Veterans	64.125	684,425	-
Veterans Cemetery Grants Program	64.203	6,207,940	-
Total U.S. Department of Veterans Affairs		49,917,179	-
U.S. Environmental Protection Agency			
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	1,040,578	-
Diesel Emissions Reduction Act (DERA) State Grants	66.040	142,090	137,168
Climate Pollution Reduction Grants	66.046	407,298	-
Water Infrastructure Improvements for the Nation Small and Underserved Communities Emerging Contaminants Grant Program	66.442	272,328	272,328
Voluntary School and Child Care Lead Testing and Reduction Grant Program (SDWA 1464(d))	66.444	28,421	-
Water Quality Management Planning	66.454	77,687	77,687
Clean Water State Revolving Fund	66.458	141,018,946	136,192,492
Regional Wetland Program Development Grants	66.461	122,393	-
Drinking Water State Revolving Fund	66.468	36,461,128	33,228,201
Performance Partnership Grants	66.605	18,559,465	3,407,361
Toxic Substances Compliance Monitoring Cooperative Agreements	66.701	18,999	-
TSCA Title IV State Lead Grants Certification of Lead-Based Paint Professionals	66.707	535	-
Pollution Prevention Grants Program	66.708	78,000	-
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	66.802	776,739	-
Underground Storage Tank (UST) Prevention, Detection, and Compliance Program	66.804	1,587,730	-
Leaking Underground Storage Tank Trust Fund Corrective Action Program	66.805	-	-
State and Tribal Response Program Grants	66.817	1,134,033	-
Solid Waste Infrastructure for Recycling Infrastructure Grants	66.920	13,106	-
Total U.S. Environmental Protection Agency		201,739,476	173,315,237
U.S. Department of Energy			
State Energy Program	81.041	1,477,232	-
Weatherization Assistance for Low-Income Persons	81.042	13,169,189	9,846,663
Total U.S. Department of Energy		14,646,421	9,846,663
U.S. Department of Education			
Adult Education - Basic Grants to States	84.002	19,333,518	15,657,007
Title I Grants to Local Educational Agencies	84.010	478,361,017	474,076,379
Migrant Education State Grant Program	84.011	1,451,825	1,297,752
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	1,586,002	58,392

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Education (continued)			
<i>Special Education Cluster (IDEA):</i>			
Special Education Grants to States	84.027	\$ 452,738,038	\$ 420,283,004
Special Education Preschool Grants	84.173	13,660,329	13,406,841
<i>Total Special Education Cluster</i>		466,398,367	433,689,845
Career and Technical Education -- Basic Grants to States	84.048	31,538,649	28,497,901
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126	94,121,552	11,675,098
Migrant Education Coordination Program	84.144	52,818	-
Rehabilitation Services Independent Living Services for Older Individuals Who are Blind	84.177	915,619	-
Special Education-Grants for Infants and Families	84.181	12,461,908	8,230,870
School Safety National Activities	84.184	2,644,447	2,352,079
Supported Employment Services for Individuals with the Most Significant Disabilities	84.187	39,032	-
Education for Homeless Children and Youth	84.196	2,836,292	2,447,186
Twenty-First Century Community Learning Centers	84.287	30,396,764	29,030,532
Special Education - State Personnel Development	84.323	1,377,512	-
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	4,524,549	3,676,625
Rural Education	84.358	45,397	43,393
English Language Acquisition State Grants	84.365	27,793,082	26,884,858
Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants)	84.367	53,493,094	51,806,627
Grants for State Assessments and Related Activities	84.369	9,841,900	-
Comprehensive Literacy Development	84.371	1,364	-
Statewide Longitudinal Data Systems	84.372	410,800	-
Disability Innovation Fund (DIF)	84.421	522,329	-
Student Support and Academic Enrichment Program	84.424	48,284,127	46,655,270
<i>Education Stabilization Fund:</i>			
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	13,103,528	13,126,607
COVID-19 - American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	665,201,428	657,607,423
COVID-19 - American Rescue Plan - Emergency Assistance to Non-Public Schools (ARP EANS)	84.425V	24,353,866	10,911,904
COVID-19 - American Rescue Plan Elementary and Secondary School Emergency Relief -- Homeless Children and Youth (ARP-HCY)	84.425W	5,191,463	4,742,565
<i>Total Education Stabilization Fund</i>	84.425	707,850,285	686,388,499
Contractual Agreements From Federal Government	84.CON	233,065	-
Unassigned Catalog Numbers From Federal Government	84.UNA	10,156	-
Total U.S. Department of Education		1,996,525,470	1,822,468,313
U.S. Election Assistance Commission			
HAVA Election Security Grants	90.404	1,360,192	346,379
Total U.S. Election Assistance Commission		1,360,192	346,379
U.S. Department of Health and Human Services			
Medical Reserve Corps Small Grant Program	93.008	542,729	208,172
Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	144,103	-
Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals	93.042	653,688	-
COVID-19 - Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	584,267	584,267
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services		623,058	623,058
<i>Total Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services</i>	93.043	1,207,325	1,207,325
<i>Aging Cluster:</i>			
COVID-19 - Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	7,744,036	7,744,036
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers		14,532,474	14,532,474
<i>Total Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers</i>	93.044	22,276,510	22,276,510

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (continued)			
<i>Aging Cluster (continued):</i>			
COVID-19 - Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	\$ 12,728,302	\$ 11,483,318
Special Programs for the Aging, Title III, Part C, Nutrition Services		<u>31,394,044</u>	<u>29,065,037</u>
Total Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	44,122,346	40,548,355
Nutrition Services Incentive Program	93.053	<u>2,839,605</u>	<u>2,839,605</u>
Total Aging Cluster		69,238,461	65,664,470
COVID-19 - National Family Caregiver Support, Title III, Part E	93.052	2,432,595	2,432,595
National Family Caregiver Support, Title III, Part E		<u>6,422,564</u>	<u>6,030,232</u>
Total National Family Caregiver Support, Title III, Part E	93.052	8,855,159	8,462,827
Public Health Emergency Preparedness	93.069	16,418,249	6,491,490
Environmental Public Health and Emergency Response	93.070	1,632,502	103,205
Medicare Enrollment Assistance Program	93.071	563,836	375,325
Birth Defects and Developmental Disabilities - Prevention and Surveillance	93.073	506,545	-
Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079	33,575	-
Blood Disorder Program: Prevention, Surveillance, and Research	93.080	338,270	136,331
Guardianship Assistance	93.090	7,985,019	-
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	1,124,250	1,028,997
Food and Drug Administration Research	93.103	2,222,297	112,140
Maternal and Child Health Federal Consolidated Programs	93.110	3,212,659	1,411,930
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	3,248,879	1,967,241
Emergency Medical Services for Children	93.127	147,216	67,000
Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices	93.130	194,875	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	5,001,666	1,613,745
NIEHS Hazardous Waste Worker Health and Safety Training	93.142	106,328	-
Projects for Assistance in Transition from Homelessness (PATH)	93.150	2,173,150	1,581,242
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153	2,227,233	2,103,773
Grants to States for Loan Repayment	93.165	250,730	-
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	511,156	-
Traumatic Brain Injury State Demonstration Grant Program	93.234	186,905	144,030
Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program	93.235	1,353,523	1,083,591
Grants to States to Support Oral Health Workforce Activities	93.236	324,064	91,853
State Capacity Building	93.240	517,038	-
COVID-19 - Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	547,699	535,952
Substance Abuse and Mental Health Services Projects of Regional and National Significance		<u>7,294,840</u>	<u>4,828,024</u>
Total Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	7,842,539	5,363,976
Early Hearing Detection and Intervention	93.251	233,747	115,461
Occupational Safety and Health Program	93.262	134,853	-
COVID-19 - Immunization Cooperative Agreements	93.268	20,735,333	9,757,134
Immunization Cooperative Agreements		<u>132,940,555</u>	<u>2,342,258</u>
Total Immunization Cooperative Agreements	93.268	153,675,888	12,099,392
Viral Hepatitis Prevention and Control	93.270	380,038	3,596
Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program	93.314	88,646	-
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	125,668,390	62,286,583
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)		<u>3,317,455</u>	<u>-</u>
Total Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	128,985,845	62,286,583
State Health Insurance Assistance Program	93.324	1,349,966	858,890
Behavioral Risk Factor Surveillance System	93.336	709,389	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (Continued)			
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	\$ 17,503,496	\$ 4,829,979
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response		228,391	153,706
Total Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	17,731,887	4,983,685
ACL Independent Living State Grants	93.369	497,343	478,549
National and State Tobacco Control Program	93.387	1,731,508	964,185
COVID-19 - Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	2,100,559	1,317,515
The State Flexibility to Stabilize the Market Grant Program	93.413	394,836	-
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	84,584	84,584
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	1,119,217	652,828
Every Student Succeeds Act/Preschool Development Grants	93.434	4,410,666	1,501,083
Well-Integrated Screening And Evaluation For Women Across The Nation (WISEWOMAN)	93.436	593,001	310,480
COVID-19 - ACL Assistive Technology	93.464	24,059	24,059
ACL Assistive Technology		524,293	524,292
Total ACL Assistive Technology	93.464	548,352	548,351
Preventing Maternal Deaths: Supporting Maternal Mortality Review Committees	93.478	268,424	96,675
COVID-19 - Community Health Workers for Public Health Response and Resilient	93.495	3,396,864	2,007,475
COVID-19 - Family Violence Prevention and Services/ Sexual Assault/Rape Crisis Services and Supports	93.497	620,289	620,235
MaryLee Allen Promoting Safe and Stable Families Program	93.556	7,997,145	-
Temporary Assistance for Needy Families	93.558	344,329,518	31,495,756
Child Support Services	93.563	160,563,904	9,654,167
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	1,473,332	-
Low-Income Home Energy Assistance	93.568	131,554,019	19,911,749
Community Services Block Grant	93.569	23,636,019	22,426,585
COVID-19 - Community-Based Child Abuse Prevention Grants	93.590	1,709,658	-
Community-Based Child Abuse Prevention Grants		3,759,071	-
Total Community-Based Child Abuse Prevention Grants	93.590	5,468,729	-
<i>CCDF Cluster:</i>			
Child Care and Development Block Grant	93.575	317,427,632	46,339,194
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	93,544,690	41,231,708
Total CCDF Cluster		410,972,322	87,570,902
State Court Improvement Program	93.586	647,128	-
Welfare Reform Research, Evaluations and National Studies	93.595	6,011	-
Grants to States for Access and Visitation Programs	93.597	215,970	-
Chafee Education and Training Vouchers Program (ETV)	93.599	420,159	-
<i>Head Start Cluster:</i>			
Head Start	93.600	183,406	-
Total Head Start Cluster		183,406	-
Adoption and Legal Guardianship Incentive Payments Program	93.603	122,582	-
COVID-19 - Developmental Disabilities Basic Support and Advocacy Grants	93.630	12,994	-
Developmental Disabilities Basic Support and Advocacy Grants		2,254,745	973,078
Total Developmental Disabilities Basic Support and Advocacy Grants	93.630	2,267,739	973,078
Children's Justice Grants to States	93.643	372,109	-
Stephanie Tubbs Jones Child Welfare Services Program	93.645	3,399,980	-
Foster Care Title IV-E	93.658	116,786,674	201,770
Adoption Assistance	93.659	87,830,747	-
COVID-19 - Emergency Grants to Address Mental and Substance Use Disorders During COVID-19	93.665	(15,636)	(15,636)
Social Services Block Grant	93.667	56,058,430	238,034

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Health and Human Services (Continued)			
COVID-19 - Child Abuse and Neglect State Grants	93.669	\$ 1,308,855	\$ -
Child Abuse and Neglect State Grants		<u>2,405,727</u>	<u>-</u>
Total Child Abuse and Neglect State Grants	93.669	3,714,582	-
COVID-19 - Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	1,811,130	316,641
Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services		<u>2,872,680</u>	<u>2,751,462</u>
Total Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services	93.671	4,683,810	3,068,103
John H. Chafee Foster Care Program for Successful Transition to Adulthood	93.674	2,229,069	-
COVID-19 - Elder Abuse Prevention Interventions Program	93.747	3,112,017	2,216,669
Children's Health Insurance Program	93.767	771,953,218	5,266,111
<i>Medicaid Cluster:</i>			
State Medicaid Fraud Control Units	93.775	6,189,235	-
State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare	93.777	17,502,022	-
COVID-19 - Grants to States for Medicaid	93.778	1,826,589	-
Grants to States for Medicaid		<u>15,661,756,889</u>	<u>171,464,777</u>
Total Grants to States for Medicaid	93.778	15,663,583,478	171,464,777
Total Medicaid Cluster		<u>15,687,274,735</u>	<u>171,464,777</u>
Opioid STR	93.788	57,132,929	40,590,138
Money Follows the Person Rebalancing Demonstration	93.791	16,765,916	11,757,425
Transforming Maternal Health (TMAH) Model	93.869	42,527	-
COVID-19 - Maternal, Infant and Early Childhood Home Visiting Grant	93.870	940,909	143,946
Maternal, Infant and Early Childhood Home Visiting Grant		<u>13,884,685</u>	<u>261,768</u>
Total Maternal, Infant and Early Childhood Home Visiting Grant	93.870	14,825,594	405,714
National Bioterrorism Hospital Preparedness Program	93.889	5,483,529	3,363,035
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	4,333,549	2,664,176
Grants to States for Operation of State Offices of Rural Health	93.913	199,365	32,876
HIV Care Formula Grants	93.917	43,823,793	7,918,907
HIV Prevention Activities Health Department Based	93.940	17,762,943	10,978,694
Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance	93.944	1,867,292	809,619
Assistance Programs for Chronic Disease Prevention and Control	93.945	50,510	-
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946	561,664	216,099
COVID-19 - Block Grants for Community Mental Health Services	93.958	17,775,042	8,319,188
Block Grants for Community Mental Health Services		<u>21,304,741</u>	<u>19,503,974</u>
Total Block Grants for Community Mental Health Services	93.958	39,079,783	27,823,162
COVID-19 - Block Grants for Prevention and Treatment of Substance Abuse	93.959	23,467,433	19,066,148
Block Grants for Prevention and Treatment of Substance Abuse		<u>62,785,179</u>	<u>29,529,559</u>
Total Block Grants for Prevention and Treatment of Substance Abuse	93.959	86,252,612	48,595,707
COVID-19 - Centers for Disease Control and Prevention Collaboration with Academia to Strenght	93.967	9,636,716	2,919,873
COVID-19 - Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	5,011,132	343,976
Sexually Transmitted Diseases (STD) Prevention and Control Grants		<u>249,852</u>	<u>-</u>
Total Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.777	5,260,984	343,976
Cooperative Agreements for Diabetes Control Programs	93.988	1,288,676	790,589
Preventive Health and Health Services Block Grant	93.991	4,338,404	3,264,478
Maternal and Child Health Services Block Grant to the States	93.994	12,143,201	5,100,973
Contractual Agreements From Federal Government	93.CON	<u>3,610,974</u>	<u>188,799</u>
Total U.S. Department of Health and Human Services		18,609,538,550	710,384,535
Corporation for National and Community Service			
COVID-19 - AmeriCorps State Commissions Support Grant	94.003	33,559	-
AmeriCorps State Commissions Support Grant		<u>242,459</u>	<u>-</u>
Total AmeriCorps State Commissions Support Grant	94.003	276,018	-

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**STATE OF NEW JERSEY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Federal Expenditures	Passed Through to Subrecipients
Corporation for National and Community Service (continued)			
AmeriCorps State and National 94.006	94.006	\$ 5,007,171	\$ 4,514,795
AmeriCorps Commission Investment Fund 94.008	94.008	213,471	-
<i>Foster Grandparent/Senior Companion Cluster:</i>			
AmeriCorps Seniors Foster Grandparent Program (FGP) 94.011	94.011	381,645	-
<i>Total Foster Grandparent/Senior Companion Cluster</i>		381,645	-
AmeriCorps Volunteer Generation Fund 94.021	94.021	750,798	685,410
Total Corporation for National and Community Service		6,629,103	5,200,205
Social Security Administration			
Disability Insurance/SSI Cluster:			
Social Security Disability Insurance	96.001	69,503,294	-
Total Disability Insurance/SSI Cluster		69,503,294	-
Unassigned Catalog Numbers From Federal Government	96.UNA	6,658	-
Total Social Security Administration		69,509,952	-
U.S. Department Homeland Security			
Non-Profit Security Program	97.008	20,115,540	19,008,712
Boating Safety Financial Assistance	97.012	2,662,015	-
Community Assistance Program State Support Services Element (CAP-SSSE)	97.023	486,062	-
National Urban Search and Rescue (US&R) Response System	97.025	4,978,085	3,420,090
Flood Mitigation Assistance	97.029	8,132,087	4,885,411
COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	108,282,043	60,483,790
Disaster Grants - Public Assistance (Presidentially Declared Disasters)		143,646,252	125,097,735
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	251,928,295	185,581,525
COVID-19 - Hazard Mitigation Grant	97.039	15,264,178	13,425,475
Hazard Mitigation Grant		11,344,755	7,664,662
Total Hazard Mitigation Grant	97.039	26,608,933	21,090,137
National Dam Safety Program	97.041	110,595	-
Emergency Management Performance Grants	97.042	13,196,284	3,043,545
Cooperating Technical Partners	97.045	227,491	-
BRIC: Building Resilient Infrastructure and Communities	97.047	4,259,809	4,259,809
Emergency Operations Center	97.052	277,272	277,272
Port Security Grant Program	97.056	1,758,343	-
Homeland Security Grant Program	97.067	29,380,908	20,571,084
Homeland Security Biowatch Program	97.091	1,012,406	-
Regional Catastrophic Preparedness Grant Program (RCPGP)	97.111	49,381	-
State and Local Cybersecurity Grant Program Tribal Cybersecurity Grant Program	97.137	6,379,939	-
Total U.S. Department Homeland Security		371,563,445	262,137,585
Total Expenditures of Federal Awards		<u>\$ 31,097,764,169</u>	<u>\$ 4,389,167,328</u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.

STATE OF NEW JERSEY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025

NOTE 1 BASIS OF PRESENTATION

Reporting Entity

The Schedule of Expenditures of Federal Awards (the Schedule) includes all federal award programs administered by the State of New Jersey (the State) except for component units for the fiscal year ended June 30, 2025. The State financial reporting entity is described in note 1b of the State's Annual Comprehensive Financial Report. Accordingly, the accompanying Schedule presents the federal awards programs administered by the State, as defined above, for the year ended June 30, 2025.

Federal Awards Programs Numbers

Certain programs presented in the accompanying Schedule include Federal award programs that have not been assigned a federal Assistance Listing Number (ALN), which are reported by the respective Federal agency and titled "UNA". Programs under direct contract are titled "CON". The Administration Costs Consolidations under the U.S. Department of Energy is labeled "ADM".

NOTE 2 BASIS OF ACCOUNTING

General

The accompanying Schedule includes the expenditures for each Federal financial assistance program of the State and is presented on the cash basis of accounting, which is based on cash disbursements for the period.

Matching Costs

Matching costs, i.e., the non-Federal share of certain program costs, are not included in the accompanying Schedule.

Indirect Costs

The State and its various departments did not elect to use the de minimis indirect cost rate as discussed in 2 CFR 200.414. Each department within the State that has a negotiated indirect cost rate with a federal agency can use such indirect cost rates for any pass-through grants to subrecipients.

Highway Planning and Construction Program

The amount presented in the Highway Planning and Construction Program (ALN 20.205) represents the summary of billings from the Department of Transportation to the Federal Government which include expenditures currently determined to be chargeable to the Federal program.

**STATE OF NEW JERSEY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025**

NOTE 3 RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The regulations and guidelines governing the preparation of Federal financial reports vary by Federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the Federal financial reports do not necessarily agree with the amounts reported in the accompanying Schedule, which is prepared on the cash basis of accounting explained in Note 2.

NOTE 4 NONMONETARY FEDERAL FINANCIAL ASSISTANCE

The State is the recipient of federal financial assistance programs that do not result in cash receipts of disbursements. Noncash amounts received by the State are included in the Schedule as follows:

	Assistance Listing	Amount
Supplemental Nutrition Assistance Program	10.551	\$ 1,973,168,728
Emergency Food Assistance Program	10.569	31,773,805
Immunization Cooperative Agreements	93.268	118,149,905
Total		\$ 2,123,092,438

NOTE 5 CONTINGENCIES

The State's participation in Federal funding is subject to review by the U.S. Department of Health and Human Services (HHS) as cognizant agency. HHS coordinates the review of findings and questioned costs with other Federal agencies. HHS and the other Federal agencies determine the ultimate allowability of expenditures charged to the Federal grants. The State is unable to determine the amounts, if any, that Federal agencies will disallow. Any impact as a result of these matters will be reflected in the Schedule and recognized by the respective Federal program when amounts can be determined.

The State is a party to various legal actions arising in the ordinary course of business. While it is not possible at this time to predict the ultimate outcome of these actions, any impact as a result of these matters will be reflected in the Schedule and recognized by the respective Federal program when amounts can be determined.

NOTE 6 DISASTER GRANTS – PUBLIC ASSISTANCE (ASSISTANCE LISTING 97.036)

After a presidentially declared disaster, the U.S. Federal Emergency Management Agency (FEMA) provides a public assistance grant to reimburse eligible costs associated with repair, replacement, or restoration of disaster-damaged facilities. The federal government reimburses in the form of cost-shared grants. In fiscal year 2025, FEMA approved approximately \$ 1,159,078 of eligible expenditures that were incurred in a prior year and are included in the Schedule.

**STATE OF NEW JERSEY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025**

NOTE 7 UNEMPLOYMENT INSURANCE

In accordance with U.S. Department of Labor guidance, the State recorded State Regular Unemployment Compensation (UC) benefits under Assistance Listing 17.225 in the Schedule. The individual state and federal portions are as follows:

State Regular UC Benefits	\$ 2,770,508,462
Federal Pandemic Unemployment Assistance (PUA)	1,241,260
Federal Pandemic Unemployment Compensation (FPUC)	1,280,435
Federal Mixed Earner Unemployment Compensation (MEUC)	21,600
Federal 1st Week Implementation Benefits	41,569
Federal Administration	144,342,351
Total	<u><u>\$ 2,917,435,677</u></u>

NOTE 8 REBATES FROM THE SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

During fiscal year 2025, the state received cash rebates from infant formula manufacturers in the amount of \$35,258,949 on sales of formula to participants in the WIC program (Assistance Listing 10.557), which are netted against total expenditures included in the Schedule. Rebate contracts with infant formula manufacturers are authorized by Code of Federal Regulations, Title 7, *Agriculture, Subtitle B, Chapter II, Subchapter A, Part 246.16a* as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. Applying the rebates received to such costs enabled the State to extend program benefits to more participants than could have been serviced this fiscal year in the absence of the rebate contract.

NOTE 9 DONATED PERSONAL PROTECTIVE EQUIPMENT (PPE) (UNAUDITED)

Federally funded COVID-19 related donations with an estimated value of \$10.3 million were received by the State during the fiscal year. This amount is not reflected on the Schedule.

NOTE 10 CCDF CLUSTER (ASSISTANCE LISTINGS 93.575 AND 93.596)

Expenditures reported in the Schedule for the Child Care Development Fund (CCDF) Cluster include the following funding sources:

CCDBG	\$ 317,427,632
CCDF Mandatory and Matching	93,544,690
Total	<u><u>\$ 410,972,322</u></u>

STATE OF NEW JERSEY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2025

NOTE 11 HOUSING CHOICE VOUCHER PROGRAM (ASSISTANCE LISTING 14.871)

In accordance with reporting requirements established by U.S. Department of Housing and Urban Development Notice PIH 2021-25 (HA), Section 8.k., the Schedule includes \$15,045,637 in Emergency Housing Vouchers (EHV) funding issued under the American Rescue Plan Act of 2021.

NOTE 12 CLEAN WATER STATE REVOLVING FUND (ASSISTANCE LISTING 66.458)

The State uses capitalization grant funds to provide a long-term source of financing for construction of wastewater treatment facilities and implementation of other water quality management activities funded by the Clean Water State Revolving Fund (CWSRF).

CWSRF provides loans with lower interest rates than those available from commercial markets. Mainstream funds offer a net long-term fixed interest rate below market rate for those applicants financing the origination fee. The maximum repayment period for most CWSRF loans is 30 years from completion of construction. Capitalization loans processed by the State under CWSRF for the year ended June 30, 2025, were approximately \$29.2 million and are included in the schedule. CWSRF outstanding loans with no continuing audit requirements as of June 30, 2025, were approximately \$1.15 billion.

NOTE 13 DRINKING WATER STATE REVOLVING FUND (ASSISTANCE LISTING 66.468)

The State uses capitalization grant funds to create and maintain a Drinking Water State Revolving Fund (DWSRF) which assists public water systems in financing the costs of infrastructure needed to achieve or maintain compliance with the Safe Drinking Water Act.

DWSRF provides loans with lower interest rates than those available from commercial markets and can provide other types of financial assistance for qualified communities, local agencies and private entities. Mainstream funds offer a net long-term fixed interest rate below market rate for those applicants financing the origination fee. The maximum repayment period for most DWSRF loans is 30 years from the completion of construction. Capitalization loans processed by the State under DWSRF for the year ended June 30, 2025, were approximately \$5.8 million and are included in the schedule. DWSRF outstanding loans with no continuing audit requirements as of June 30, 2025, were approximately \$399 million.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued by the State of New Jersey State Auditor: **Unmodified**

Internal control over financial reporting issued by the State of New Jersey State Auditor on the basic financial statements:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified? _____ yes x none reported

Noncompliance material to financial statements noted? _____ yes x no

Schedule of Expenditures of Federal Awards

Type of auditors’ report issued on the Schedule: **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified? _____ yes x none reported

Noncompliance material to the Schedule noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:

- Material weakness(es) identified? x yes _____ no
- Significant deficiency(ies) identified? x yes _____ none reported

2. Type of auditors’ report issued on compliance for major federal programs: See Below

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes _____ no

Dollar threshold used to distinguish between Type A and Type B programs: \$46,646,646

Auditee qualified as low-risk auditee? _____ yes x no

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section I – Summary of Auditors’ Results (Continued)

Identification of Major Programs

Major Programs	Assistance Listing	Opinion
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) (C)	10.557	Unmodified
Child and Adult Care Food Program	10.558	Unmodified
Summer Electronic Benefit Transfer Program for Children	10.646	Unmodified
Community Development Block Grant Disaster Recovery Grants Cluster	14.269, 14.272	Unmodified
WIOA Cluster	17.258, 17.259, 17.278	Qualified
Coronavirus Capital Projects Fund (C)	21.029	Unmodified
Clean Water State Revolving Fund	66.458	Unmodified
Title I Grants to Local Educational Agencies	84.010	Unmodified
Special Education (IDEA) Cluster	84.027, 84.173	Unmodified
Student Support and Academic Enrichment Program	84.424	Unmodified
Temporary Assistance for Needy Families	93.558	Qualified
CCDF Cluster	93.575, 93.596	Qualified
Social Services Block Grant	93.667	Unmodified
Medicaid Cluster (C)	93.775, 93.777, 93.778	Unmodified
Opioid STR	93.788	Unmodified
Block Grants for Prevention and Treatment of Substance Abuse (C)	93.959	Unmodified
Disaster Grants - Public Assistance (Presidentially Declared Disasters) (C)	97.036	Unmodified

(C) = COVID-19 Funds included

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section II – Financial Statement Findings

The audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs

Matrix of Findings by Federal Agency and Federal Programs

Major Federal Program	Federal Agency (Prefix)	Assistance Listing Number	Finding #	Internal Control		Compliance	Compliance Requirement
				Material Weakness	Significant Deficiency		
Child and Adult Care Food Program	U.S.D.A. (10)	10.558	2025-001		X	X	Subrecipient Monitoring
Community Development Block Grants Disaster Recovery (CDBG-DR) Cluster	U.S. HUD (14)	14.269, 14.272	2025-002		X	X	Reporting - FFATA
WIOA Cluster	U.S. DOL (17)	17.258, 17.259, 17.278	2025-003	X		X	Reporting - FFATA
WIOA Cluster	U.S. DOL (17)	17.258, 17.259, 17.278	2025-004		X	X	Subrecipient Monitoring
Coronavirus Capital Projects Fund	U.S. TREAS (21)	21.029	2025-005		X	X	Reporting - FFATA
Temporary Assistance for Needy Families	U.S. HHS (93)	93.558	2025-006	X		X	Reporting - FFATA
CCDF Cluster	U.S. HHS (93)	93.575, 93.596	2025-007	X		X	Reporting - FFATA
Social Services Block Grant	U.S. HHS (93)	93.667	2025-008		X	X	Reporting - FFATA
Block Grants for Prevention and Treatment of Substance Abuse	U.S. HHS (93)	93.959	2025-009		X	X	Reporting - FFATA
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	U.S. DHS (97)	97.036	2025-010		X	X	Reporting - FFATA

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-001
Prior Year Finding: No
Federal Agency: U.S. Department of Agriculture
State Agency: Department of Agriculture
Federal Program: Child and Adult Care Food Program
Assistance Listing Number: 10.558
Award Number and Year: 251NJ3014N2020 (10/1/2024 – 9/30/2025)
251NJ304N1099 (10/1/2024 – 9/30/2025)
251NJ314N1050 (10/1/2024 – 9/30/2026)
251NJ314N1150 (10/1/2024 – 9/30/2026)
Compliance Requirement: Subrecipient Monitoring
Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or specific requirement:

Compliance – Per 2 CFR section 200.332(e) and (g), pass-through entities must monitor the activities of a subrecipient as necessary to ensure that the subrecipient complies with Federal statutes, regulations, and the terms and conditions of the subaward. The pass-through entity is responsible for monitoring the overall performance of a subrecipient to ensure that the goals and objectives of the subaward are achieved. In monitoring a subrecipient, a pass-through entity must review financial and performance reports, ensure that the subrecipient takes corrective action on all significant developments that negatively affect the subaward, issue a management decision for audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity, resolve audit findings specifically related to the subaward, and verify that a subrecipient is audited as required by Subpart F.

Per 7 CFR part 226(l), State agencies must provide technical and supervisory assistance to institutions and facilities to facilitate effective Program operations, monitor progress toward achieving Program goals, and ensure compliance with all requirements of title VI of the Civil Rights Act of 1964, title IX of the Education amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Department's regulations concerning nondiscrimination (parts 15, 15a, and 15b of this title). The State agency must maintain documentation of supervisory assistance activities, including reviews conducted, corrective actions prescribed, and follow-up efforts. The New Jersey Department of Agriculture was granted a waiver by the USDA Food and Nutrition Service to extend the normal three-year review frequency requirement of 7 CFR 226.6(m)(i) to September 30, 2025.

Control – Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Condition:

The Department of Agriculture (Department) was unable to provide documentation that it performed subrecipient reviews.

Context:

For two of forty subrecipients selected for testing, the Department was unable to provide documentation that it monitored subrecipients per program requirements. Per the Department's approved waiver, reviews should have been conducted by September 30, 2025, but the Department was unable to provide documentation that the reviews had been performed.

Questioned costs:

Undetermined.

Cause:

The Department indicated that the reviews were performed in 2023, but it was unable to provide the electronic files documenting the reviews. Therefore, auditors were unable to verify that the reviews had been performed in accordance with program requirements and the approved waiver.

Effect:

Untimely subrecipient monitoring may result in a failure of the Department to detect that subrecipients are not meeting compliance requirements or program goals. It may also result in a failure of these deficiencies to be corrected on a timely basis.

Recommendation:

The Department should review and enhance internal controls to ensure that it maintains documentation that subrecipient reviews are conducted timely in accordance with program requirements and any applicable approved extensions. We further recommend that documentation is readily available for audit.

Views of responsible officials:

At the time of the single audit records request, two out of the forty selected Department Child and Adult Care Food Program (CACFP) subrecipient monitoring review documentation files were identified by program staff as logged on the annual 2023 review logs and found to be saved in the Department network user folders. However, these files could not be opened or accessed by program staff. Department IT staff also made several attempts to retrieve these corrupt files but were unsuccessful. Screenshots on page 2 show network files dated for 2023, which were shared by email with the auditor to represent the two subrecipient monitoring reviews conducted in 2023 and saved in state network files. However, the documentation could not be shared with the auditor to verify that the Department conducted these reviews to ensure compliance had been met.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

As mentioned above, annual compliance tracking for Department CACFP subrecipient monitoring is tracked utilizing the following internal control documentation record reviews throughout the monitoring process:

Frequent monthly updating and annual review of staff's detailed administrative review logs.
Management review of staff administrative and facility review forms from conducted reviews.
Review of staff fiscal action (overclaim) assessments for subrecipient non-compliance.
Updating CACFP management compliance review cycle oversight reports for the annual number of reviews.

For background, since FFY 2020, or the first year of the 5-year review cycle waiver, CACFP subrecipient review documentation records have been maintained in the Department network user file folders as PDF fillable forms, labeled by agreement year. However, earlier in FFY 2025, program staff identified challenges with record retention and added the following internal control changes: new administrative staff, a new recordkeeping system, and retention methods. New internal control practices have been developed and implemented to ensure that the Department can detect that all sponsoring organizations are meeting compliance requirements and that identified deficiencies are being corrected on a timely basis.

Additionally, the Department enhanced internal controls to ensure that it maintains documentation that sponsoring organization reviews are conducted timely in accordance with program requirements, to ensure documentation is readily available for audit.

The following Department CACFP enhanced internal controls have been added or are continuing to ensure that the Department maintains CACFP record retention of subrecipient monitoring documentation:

Updated staff administrative review procedures to include record retention requirements.
Saving FFY 2026 Subrecipient Monitoring records in the Department CACFP Cares System – 1st Copy.
Saving FFY 2026 Subrecipient Monitoring records in the Department CACFP Shared Staff files – 2nd Copy.
Saving FFY 2026 Subrecipient Monitoring records in the Department CACFP Restricted files – 3rd Copy.
Developing an online Subrecipient Monitoring Review system (SOARS) for maintaining documentation.
Tracked by Assistant Coordinator, Staff, Administrative Staff, and Fiscal Office for assessed fiscal action.

Conducting file inventory for review records from 2020 through the current date.

Added new CACFP administrative staff with more experienced record management skills and greater awareness of federal program records retention needs, and structured logging practices for maintaining State Agency documentation internal control and data integrity to meet or exceed documentation compliance requirements.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-002
Prior Year Finding: 2024-001
Federal Agency: U.S. Department of Housing and Urban Development
State Agency: Department of Community Affairs
Federal Program: Community Development Block Grants Disaster Recovery (CDBG-DR) Cluster
Assistance Listing Number: 14.269, 14.272
Award Number and Year: B-13-DS-34-0001 (10/30/2012 – 9/30/2029)
B-13-DS-34002 (1/21/2016 – 9/30/2029)
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity Identifier (UEI) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Condition:

The Department of Community Affairs (Department) did not report subaward information timely in accordance with FFATA requirements.

Context:

Five of five subawards selected for testing, issued from 2014 to 2020, were not reported timely in accordance with FFATA reporting requirements. Three subawards were reported approximately 5 years late, one subaward was reported 9 months late, and one subaward was reported 15 days late. All subawards were reported prior to FY 2025.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
5	0	5	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$202,402,295	\$0	\$202,402,295	\$0	\$0

Cause:

At the time of subaward issuance, the Department did not have sufficient procedures or controls to ensure that subaward information was reported timely.

Effect:

Subawards were not reported timely in accordance with FFATA requirements.

Questioned costs:

None noted.

Recommendation:

We recommend that the Department review its procedures and controls to ensure that all required subawards are reported to SAM.gov no later than the end of the month following the month of issuance or modification.

Views of responsible officials:

The Department of Community Affairs (DCA) acknowledges prior instances of delayed reporting for subawards under the Federal Funding Accountability and Transparency Act (FFATA). The most recent subaward reviewed under the FY 2025 single audit for compliance occurred in November 2021. Subsequent to this audit, DCA has undertaken and completed a thorough revision of its policies and

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

procedures to enhance both accountability and transparency. Following these updates, DCA is currently in full compliance with all aspects of FFATA, including those related to timeliness. Additionally, DCA is committed to the continuous review and enhancement of its processes to maintain alignment with all federal requirements, thereby reinforcing its dedication to upholding the highest standards of compliance and reporting accuracy.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-003
Prior Year Finding: 2024-005
Federal Agency: U.S. Department of Labor
State Agency: Department of Labor and Workforce Development
Federal Program: WIOA Cluster
Assistance Listing Number: 17.258, 17.259, 17.278
Award Number and Year: AA-34783-20-55-A-34 (7/1/2021 – 6/30/2024)
AA-36334-21-55-A-34 (7/1/2021 – 6/30/2024)
AA-38544-22-55-A-34 (7/1/2022 – 6/30/2025)
23A55AY000022 (7/1/2023 – 6/30/2026)
23A55AT000047 (7/1/2023 – 6/30/2026)
23A55AW000045 (7/1/2023 – 6/30/2026)
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Material Weakness in Internal Control Over Compliance, Material Non-compliance

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity ID (UEI) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Condition:

The Department of Labor and Workforce Development (Department) did not report subaward information timely in accordance with FFATA requirements and reported an incorrect subaward amount.

Context:

Eight subawards were selected for testing and we noted the following exceptions:

- 2 of 8 subawards selected for testing were not reported. The subawards were issued in June and August 2024 and they were not reported to SAM.gov as of the date of audit test work.
- 1 of 8 subawards selected for testing reported an incorrect subaward amount. The subaward amount was \$1,439,026 but the amount reported was \$1,558,312, for a variance of \$119,286 overreported.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
8	2	0	1	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$10,414,438	\$3,096,330	\$0	\$119,286	\$0

Cause:

The Department’s internal controls were not sufficient to ensure that subawards were reported timely nor that subawards were reported accurately. The Department has not fully implemented its corrective action plan from the prior year.

Effect:

Subawards were not reported in accordance with FFATA requirements.

Questioned costs:

None noted.

Recommendation:

We recommend that the Department complete implementation of its prior year corrective action plan. It should develop internal controls and procedures to ensure that all required subawards are reported timely and accurately no later than the end of the month following the month of issuance in accordance with FFATA reporting requirements.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Views of responsible officials:

The New Jersey Department of Labor and Workforce Development (DLWD) has transitioned from a manual contract agreement process to a web-based grant administration system using the System for Administering Grants Electronically (SAGE) and IntelliGrants (IGX) applications. The DLWD FFATA Reporting Unit accesses these automated systems and monitors them monthly to identify new Subaward contracts/agreements for timely reporting in the FFATA system. Additionally, the DLWD Fiscal & Accounting Division will complete the full implementation of this transition by developing stronger internal controls and procedures to ensure that all required subawards are reported no later than the end of the month following issuance, in accordance with FFATA reporting requirements.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-004
Prior Year Finding: No
Federal Agency: U.S. Department of Labor
State Agency: Department of Labor and Workforce Development
Federal Program: WIOA Cluster
Assistance Listing Number: 17.258, 17.259, 17.278
Award Number and Year: AA-34783-20-55-A-34 (7/1/2021 – 6/30/2024)
AA-36334-21-55-A-34 (7/1/2021 – 6/30/2024)
AA-38544-22-55-A-34 (7/1/2022 – 6/30/2025)
23A55AY000022 (7/1/2023 – 6/30/2026)
23A55AT000047 (7/1/2023 – 6/30/2026)
23A55AW000045 (7/1/2023 – 6/30/2026)
Compliance Requirement: Subrecipient Monitoring
Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or specific requirement:

Compliance: Per 2 CFR section 200.332(a) - Requirements for Pass-Through Entities states, in part, that all pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward.

Per 2 CFR section 200.332(e) and (g), pass-through entities must monitor the activities of a subrecipient as necessary to ensure that the subrecipient complies with Federal statutes, regulations, and the terms and conditions of the subaward. The pass-through entity is responsible for monitoring the overall performance of a subrecipient to ensure that the goals and objectives of the subaward are achieved. In monitoring a subrecipient, a pass-through entity must review financial and performance reports, ensure that the subrecipient takes corrective action on all significant developments that negatively affect the subaward, issue a management decision for audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity, resolve audit findings specifically related to the subaward, and verify that a subrecipient is audited as required by Subpart F.

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition:

The Department of Labor and Workforce Development (Department) omitted required federal award information from subawards and did not ensure that subrecipients were audited as required by Subpart F.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Context:

For eight of eight subawards selected for testing, the subaward agreement did not include all required federal award information. Specifically, we noted the following:

- 8 of 8 subawards were missing identification of whether the award was research and development
- 7 of 8 subawards were missing the federal award identification number (FAIN)
- 4 of 8 subawards were missing the federal award date for when the Federal agency awarded the funds to the prime recipient

For one of eight subrecipients selected for testing, the Department did not ensure the subrecipient was audited as required by Subpart F.

Cause:

The Department's procedures and internal controls were not sufficient to ensure that subawards included all required information in accordance with 2 CFR section 200.332, nor that subrecipients were audited as required by Subpart F.

Effect:

Excluding required federal grant award information at the time of the subaward may cause subrecipients and their auditors to be uninformed about specific program information and other regulations that apply to the funds they receive. There is also the potential for subrecipients to have incomplete Schedules of Expenditures of Federal Awards (SEFA) in their Single Audit reports, and federal funds may not be properly audited at the subrecipient level in accordance with the Uniform Guidance.

Failure to perform subrecipient monitoring and ensure that subrecipients are audited as required by Subpart F may result in a failure of the Department to detect that subrecipients are not meeting compliance requirements or program goals. It may also result in these deficiencies to not be corrected on a timely basis.

Questioned costs:

Undetermined.

Recommendation:

We recommend the Department review and enhance internal controls and procedures to ensure that required federal award information is included in its subawards and that subrecipients are monitored and audited as required by Subpart F.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Views of Responsible Officials:

The New Jersey Department of Labor and Workforce Development's (DLWD) Workforce Division will review and enhance internal controls and procedures in accordance with 2CFR 200.303 to ensure that all required federal award information is included in its subawards. Additionally, DLWD will monitor all subrecipients to verify they are audited as required under Subpart F of the Uniform Guidance.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-005
Prior Year Finding: 2024-007
Federal Agency: U.S. Department of the Treasury
State Agency: Department of Community Affairs
Federal Program: COVID-19 – Coronavirus Capital Projects Fund
Assistance Listing Number: 21.029
Award Number and Year: CPFFN0185 (2021)
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity ID (UEI) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition:

The Department of Community Affairs (Department) did not report subaward information timely in accordance with FFATA requirements.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Context:

Two of three subawards selected for testing were not reported timely. The subawards were issued in February and July 2024 but were not reported until December 2024. The subawards were reported as part of the implementation of the Department’s corrective action plan from the prior audit year.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
3	0	2	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$117,911,868	\$0	\$61,085,718	\$0	\$0

Cause:

The Department had not completed implementation of its corrective action plan from the prior audit year.

Effect:

Subawards were not reported timely in accordance with FFATA requirements.

Questioned costs:

None noted.

Recommendation:

We recommend that the Department complete implementation of its corrective action plan from the prior audit year. It should review procedures and internal controls to ensure that all required subawards are reported timely to SAM.gov no later than the end of the month following the month of issuance or modification.

Views of responsible officials:

The Department of Community Affairs (DCA) has effectively executed a comprehensive corrective action plan to address and rectify findings related to the Federal Funding Accountability and Transparency Act (FFATA). The issue of late FFATA submissions was originally identified in the Single Audit for fiscal year 2024. In recognition of the overlap, DCA undertook all necessary updates and enhancements to its reporting processes prior to the fiscal year 2025 audit. The findings persisted into fiscal year 2025 due to the inability to make retroactive changes in SAM.gov for past updates. To mitigate this, the department has implemented robust protocols and systems designed to ensure the accuracy and timeliness of future financial disclosures, thereby preventing the recurrence of similar issues.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-006
Prior Year Finding: 2024-009
Federal Agency: U.S. Department of Health and Human Services
State Agency: Department of Human Services
Federal Program: Temporary Assistance for Needy Families
Assistance Listing Number: 93.558
Award Number and Year: 250INJTANF (10/1/2024 – 9/30/2025)
240INJTANF (10/1/2023 – 9/30/2024)
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Material Weakness in Internal Control Over Compliance, Material Non-compliance

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity Identified (UEI); Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition:

The Department of Human Services (Department) did not report subaward information as required by FFATA requirements.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Context:

None of the fourteen subawards selected for testing were reported. The subawards were all issued on 1/1/2025 and they have not been reported as of the time of audit test work.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
14	14	0	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$19,331,635	\$19,331,635	\$0	\$0	\$0

Cause:

The Department did not have procedures or controls in place to ensure that subaward information was reported as required by FFATA requirements.

Effect:

Subawards were not reported in accordance with FFATA requirements.

Questioned costs:

None noted.

Recommendation:

We recommend that the Department develop controls and procedures to ensure that all required subawards are reported accurately and timely to SAM.gov no later than the end of the month following the month of issuance.

Views of responsible officials:

The New Jersey Department of Human Services' Division of Family Development (DHD/DFD) has taken significant steps to ensure the effective management of FFATA (Federal Funding Accountability and Transparency Act) data.

DHD/DFD has appointed qualified personnel dedicated to the accurate reporting of FFATA information. All appointed personnel have undergone comprehensive training programs designed to equip them with the knowledge and skills required for the accurate entry and maintenance of FFATA data.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-007
Prior Year Finding: 2024-011
Federal Agency: U.S. Department of Health and Human Services
State Agency: Department of Human Services
Federal Program: CCDF Cluster
Assistance Listing Number: 93.575, 93.596
Award Number and Year: G2301NJCCDF (10/1/2022 – 9/30/2025)
G2301NJCCDD (10/1/2022 – 9/30/2025)
2401NJCCDD (10/1/2023 – 9/30/2026)
2401NJCCDF (10/1/2023 – 9/30/2026)
2401NJCCDM (10/1/2023 – 9/30/2025)
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Material Weakness in Internal Control Over Compliance, Material Non-compliance

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity Identified (UEI); Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Condition:

The Department of Human Services (Department) did not report subaward information in accordance with FFATA requirements.

Context:

None of the seven subawards selected for testing were reported. The Department informed auditors that it did not report subawards during FY 2025.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
7	7	0	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$16,772,752	\$16,772,752	\$0	\$0	\$0

Cause:

The Department does not have procedures and controls to ensure that FFATA reporting requirements are met.

Effect:

Subawards were not reported in accordance with FFATA requirements.

Questioned costs:

None noted.

Recommendation:

We recommend that the Department develop internal controls and procedures to ensure that FFATA reporting requirements are met. We further recommend the Department develop controls and procedures to ensure that all required subawards are reported accurately and timely no later than the end of the month following the month of issuance.

Views of responsible officials:

The New Jersey Department of Human Services' Division of Family Development (DHD/DFD) has taken significant steps to ensure the effective management of FFATA (Federal Funding Accountability and Transparency Act) data.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

DHD/DFD has appointed qualified personnel dedicated to the accurate reporting of FFATA information. All appointed personnel have undergone comprehensive training programs designed to equip them with the knowledge and skills required for accurate entry and maintenance of FFATA data.

DHD/DFD and its internal units will work in close coordination to manage, review, and validate FFATA submissions.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-008
Prior Year Finding: No
Federal Agency: U.S. Department of Health and Human Services
State Agency: Department of Children and Families
Federal Program: Social Services Block Grant
Assistance Listing Number: 93.667
Award Number and Year: 2300NJSOSR (10/1/2022 – 9/30/2024)
 2400NJSOSR (10/1/2023 – 9/30/2025)
 2500NJSOSR (10/1/2024 – 9/30/2026)
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity ID (UEI) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Condition:

The Department of Children and Families (Department) did not report subaward information timely in accordance with FFATA requirements.

Context:

The Department had one subaward subject to FFATA reporting requirements and it was not reported timely. The subaward was issued on 10/1/2023 and it was reported on 6/28/2024, or 211 days late.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
1	0	1	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$1,557,000	\$0	\$1,557,000	\$0	\$0

Cause:

At the time of subaward issuance, the Department's procedures and controls were not sufficient to ensure that subawards were reported timely in accordance with FFATA requirements.

Effect:

The subaward was not reported timely.

Questioned costs:

None noted.

Recommendation:

We recommend that the Department review procedures and internal controls to ensure that all required subawards are reported timely to SAM.gov no later than the end of the month following the month of issuance or modification.

Views of responsible officials:

The Department of Children and Families (DCF) will conduct a thorough review of its current procedures to ensure that all required subawards are reported in a timely manner to SAM.gov (System for Award Management). Specifically, DCF will verify that each subaward is reported no later than the end of the month following the month in which the award is issued or upon the allocation of funding to subrecipients.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

This review will include evaluating existing protocols for subaward reporting to identify any gaps or areas for improvement and implementing regular monitoring and compliance checks to verify that subawards are being reported accurately and timely.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-009
Prior Year Finding: 2024-015
Federal Agency: U.S. Department of Health and Human Services
State Agency: Department of Human Services
Federal Program: Block Grants for Prevention and Treatment of Substance Abuse, COVID-19 – Block Grants for Prevention and Treatment of Substance Abuse
Assistance Listing Number: 93.959
Award Number and Year: 6B08TI085822 (10/1/2022 – 9/30/2024)
1B08TI087054 (10/1/2023 – 9/30/2025)
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity ID (UEI) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Condition:

The Department of Health (Department) did not report subaward information timely in accordance with FFATA requirements.

Context:

Three of thirteen subaward transactions selected for testing were not reported timely. The subawards were reported to SAM.gov one week to four months late.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
13	0	3	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$11,578,854	\$0	\$1,043,859	\$0	\$0

Cause:

The Department did not establish effective procedures and controls to ensure that subawards were reported timely.

Effect:

Subawards were not reported timely in accordance with FFATA requirements.

Questioned costs:

Undetermined.

Recommendation:

We recommend that the Department review its procedures and controls to ensure that all required subawards are reported to SAM.gov no later than the end of the month following the month of issuance or modification.

Views of responsible officials:

The Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) does not dispute the FFATA upload dates for three (3) of the thirteen (13) subawards tested, but it disputes that such uploads were untimely.

One subaward was uploaded only seven (7) days late. DMHAS submits that it substantially complied, no finding should issue and no corrective action is required in that instance.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

The two (2) remaining awards at issue were funded with the ARPA Block Grant. On March 24, 2025, U.S. DHHS took unprecedented action and issued a notice of early termination of ARPA funding, purportedly for cause because the Covid-19 health emergency had ended. The notice of early termination and subsequent, revised Notice of Award (NOA), required DMHAS to cease all activities. It also sought to revise the original grant terms, retroactive to the original September 1, 2021 project start date. By way of example, the revised NOA also includes new conditions and certifications required to draw down federal funds.

DMHAS complied with the notice of early termination and immediately ceased all activities; it stopped issuing subaward letters, it ceased all subaward uploads into its Contract Information Management System, it stopped all reimbursements, and it stopped all FFATA uploads pending or in process. Also in response to the abrupt early termination of funding, DMHAS issued “stop work” orders to all impacted agencies and advised that there was no assurance of reimbursement as of the effective date of notice. Shortly thereafter, DMHAS joined numerous other State authorities and filed a formal complaint in federal district court, alleging that the early termination was unlawful and caused the States irreparable harm. On April 5, 2025, the court entered a temporary injunction and scheduled a hearing for preliminary injunctive relief. U.S. DHHS moved for reconsideration. Several weeks later, the Court entered a preliminary injunction enjoining the enforcement of the early termination of ARPA until further order of the Court.

The cessation of FFATA uploads from the March termination to the receipt of injunctive relief was necessary to:

1. Maintain strict compliance with the revised NOA terms and conditions, including the written obligation to cease all activities;
2. Maintain strict compliance with the revised NOA terms and conditions, by issuing “stop work” orders;
3. Ensuring DMHAS’s “stop work” orders were not superseded by FFATA uploads or USA Spending publications while the request for injunctive relief was pending, so no individual or entity (including the US Office of the Attorney General, US DHHS, or subawardee) could construe the upload as renewed authority to continue to expend funds through subaward end date;
4. Fully protect the prosecution of DMHAS’s claims in the pending, federal litigation, as well as DMHAS’s defenses; and
5. Mitigate DMHAS and subawardee damages in the underlying litigation.

Based on the unprecedented early termination of block grant funding and ensuing litigation, DMHAS submits that the timeline to complete FFATA uploads was stayed. Such determination is consistent with the Court’s preliminary injunction, which makes clear that U.S. DHHS immediately treat any actions taken to implement or enforce the early funding terminations, as null and void and rescinded. Therefore, DMHAS should not be issued a FFATA finding that relates directly to the revised NOAs or the direction to cease all activities, and under these extraordinary circumstances, the uploads in question should be classified as non-reportable and immaterial, with no corrective action required.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Auditor Rejoinder:

The 2025 Office of Management and Budget Compliance Supplement (Supplement) identified FFATA reporting as applicable to ALN 93.959 – Block Grants for Prevention and Treatment of Substance Abuse. Among the FFATA requirements included in the Supplement, auditors must verify that subawards were reported to SAM.gov no later than the last day of the month following the month in which the subaward/subaward amendment obligation was made or the subcontract award/subcontract modification was made. It does not include an exception to FFATA reporting deadlines for ALN 93.959. For the three exceptions noted, the subawards should have been reported timely to SAM.gov upon issuance and if court action later modified or terminated the awards, subaward modifications should have been issued and reported timely to SAM.gov at that time.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Reference Number: 2025-010
Prior Year Finding: 2024-016
Federal Agency: U.S. Department of Homeland Security
State Agency: Department of Law and Public Safety
Federal Program: Disaster Grants - Public Assistance (Presidentially Declared Disasters)
Assistance Listing Number: 97.036
Award Number and Year: 066224614PA: 9/5/2021; 066214574PA: 12/11/2020; 066204488PA: 3/13/2020; 066134086PA: 10/30/2012
Compliance Requirement: Reporting – Federal Funding Accountability and Transparency Act (FFATA)
Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matters

Criteria or specific requirement:

Compliance: Per the Federal Funding Accountability and Transparency Act (FFATA), prime (direct) recipients of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). Reports must be filed in FSRS by the end of the month following the month in which the prime recipient awards any sub-grant greater than or equal to \$30,000. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements as of the date the award exceeds \$30,000. If the initial award equals or exceeds \$30,000 but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the award continues to be subject to FFATA reporting requirements. On March 8, 2025, FSRS.gov was retired, and all subaward reporting data and functionality transitioned to SAM.gov after that date.

The following key data elements must be reported: Subawardee Name and Unique Entity ID (UEI) number; Amount of Subaward (inclusive of modifications); Subaward Obligation/Action Date; Date of Report Submission; Subaward Number; Project Description; and Names and Compensation of Highly Compensated Officers. (Names and Compensation of Highly Compensated Officers must only be reported when the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.)

Control: Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Condition:

The Department of Law and Public Safety (Department) did not report subaward information timely in accordance with FFATA reporting requirements.

Context:

Sixteen subawards were selected for testing and the following exceptions were noted:

- 1 of 16 subawards selected for testing was not reported until after it was selected for testing by auditors. The subaward was issued in December 2024 but was not reported to SAM.gov until February 2026.
- 3 of 16 subawards selected for testing were issued from 2013 through 2023 but were not reported until September and November 2024.
- 1 of 16 subawards selected for testing was issued in May 2022 but it was not reported until May 2025.

Transactions Tested	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
16	0	5	0	0
Dollar Amount of Tested Transactions	Subaward not reported	Report not timely	Subaward amount incorrect	Subaward missing key elements
\$68,536,396	\$0	\$16,010,792	\$0	\$0

Cause:

In its corrective action plan from the 2024 audit, the Department indicated that it was in full compliance with FFATA reporting requirements as of August 2024, however, the reporting exceptions noted above indicate that the corrective action plan has not been fully implemented.

Effect:

Subawards were not reported timely in accordance with FFATA requirements.

Questioned costs:

None noted.

Recommendation:

We recommend that the Department complete implementation of its corrective action plan from the prior audit and ensure all subawards are reported to SAM.gov. It should review procedures and internal controls to ensure that all required subawards are reported no later than the end of the month following the month of issuance or modification.

**STATE OF NEW JERSEY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2025**

Section III – Federal Award Findings and Questioned Costs (Continued)

Views of responsible officials:

The Department of Law and Public Safety (DLPS) acknowledges that certain FFATA reports for awards obligated in prior fiscal years were not submitted on time due to technical issues with the FEMA system, which prevented timely reporting. These technical issues have since been resolved. The DLPS has been in full compliance with FFATA reporting requirements since August 2024.



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State of New Jersey

DEPARTMENT OF THE TREASURY
OFFICE OF MANAGEMENT AND BUDGET
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Governor

AARON BINDER
State Treasurer

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Lt. Governor

Telephone (609) 292-6746 / Facsimile (609) 633-8179

TARIQ SHABAZZ
Acting Director

March 27, 2026

To Whom It May Concern:

Attached for your review and reference is the State of New Jersey Fiscal Year 2025 *Views of Responsible Officials and Corrective Action Plan*.

This document details the corrective actions planned and/or undertaken by the State for audit findings noted under the *State of New Jersey Single Audit Report* for the Fiscal Year ended June 30, 2025.

Sincerely,

Lyudmila McGann

Lyudmila McGann
Single Audit Coordinator
Treasury-Office of Management and Budget

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Attachment

STATE OF NEW JERSEY SINGLE AUDIT

FISCAL YEAR 2025



***VIEWS OF RESPONSIBLE OFFICIALS
AND CORRECTIVE ACTION PLAN***

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
VIEWS OF RESPONSIBLE OFFICIALS
AND CORRECTIVE ACTION PLANS FOR CURRENT YEAR FINDINGS**

<p>Child and Adult Care Food Program (10.558) State Agency: Department of Agriculture Federal Agency: U.S. Department of Agriculture</p> <p>Subrecipient Monitoring</p>		
FINDING # ¹	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON
<p>2025-001 No finding in prior year</p>	<p>At the time of the single audit records request, two out of the forty selected Department Child and Adult Care Food Program (CACFP) subrecipient monitoring review documentation files were identified by program staff as logged on the annual 2023 review logs and found to be saved in the Department network user folders. However, these files could not be opened or accessed by program staff. Department IT staff also made several attempts to retrieve these corrupt files but were unsuccessful. Screenshots on page 2 show network files dated for 2023, which were shared by email with the auditor to represent the two subrecipient monitoring reviews conducted in 2023 and saved in state network files. However, the documentation could not be shared with the auditor to verify that the Department conducted these reviews to ensure compliance had been met.</p> <p>As mentioned above, annual compliance tracking for Department CACFP subrecipient monitoring is tracked utilizing the following internal control documentation record reviews throughout the monitoring process:</p> <p>Frequent monthly updating and annual review of staff’s detailed administrative review logs. Management review of staff administrative and facility review forms from conducted reviews. Review of staff fiscal action (overclaim) assessments for subrecipient non-compliance. Updating CACFP management compliance review cycle oversight reports for the annual number of reviews.</p> <p>For background, since FFY 2020, or the first year of the 5-year review cycle waiver, CACFP subrecipient review documentation records have been maintained in the Department network user file folders as PDF fillable forms, labeled by agreement year. However, earlier in FFY 2025, program staff identified challenges with record retention and added the following internal control changes: new administrative staff, a new recordkeeping system, and retention methods. New internal control practices have been developed and implemented to ensure that the Department can detect that all sponsoring organizations are meeting compliance requirements and that identified deficiencies are being corrected on a timely basis.</p> <p>Additionally, the Department enhanced internal controls to ensure that it maintains documentation that sponsoring organization reviews are conducted timely in accordance with program requirements, to ensure documentation is readily available for audit.</p> <p>The following Department CACFP enhanced internal controls have been added or are continuing to ensure that the Department maintains CACFP record retention of subrecipient monitoring documentation:</p> <p>Updated staff administrative review procedures to include record retention requirements. Saving FFY 2026 Subrecipient Monitoring records in the Department CACFP Cares System – 1st Copy. Saving FFY 2026 Subrecipient Monitoring records in the Department CACFP Shared Staff files – 2nd Copy. Saving FFY 2026 Subrecipient Monitoring records in the Department CACFP Restricted files – 3rd Copy. Developing an online Subrecipient Monitoring Review system (SOARS) for maintaining documentation.</p>	<p>March 4,2026</p> <p>Stephanie Mullin 609-984-1250 Stephanie.Mullin@ag.nj.gov</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
VIEWS OF RESPONSIBLE OFFICIALS
AND CORRECTIVE ACTION PLANS FOR CURRENT YEAR FINDINGS**

	Tracked by Assistant Coordinator, Staff, Administrative Staff, and Fiscal Office for assessed fiscal action. Conducting file inventory for review records from 2020 through the current date. Added new CACFP administrative staff with more experienced record management skills and greater awareness of federal program records retention needs, and structured logging practices for maintaining State Agency documentation internal control and data integrity to meet or exceed documentation compliance requirements.	
Community Development Block Grants Disaster Recovery (14.269, 14.272) State Agency: Department of Community Affairs Federal Agency: U.S. Department of Housing and Urban Development		
<i>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</i>		
FINDING #1	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON
2025-002 2024-001	The Department of Community Affairs (DCA) acknowledges prior instances of delayed reporting for subawards under the Federal Funding Accountability and Transparency Act (FFATA). The most recent subaward reviewed under the FY 2025 single audit for compliance occurred in November 2021. Subsequent to this audit, DCA has undertaken and completed a thorough revision of its policies and procedures to enhance both accountability and transparency. Following these updates, DCA is currently in full compliance with all aspects of FFATA, including those related to timeliness. Additionally, DCA is committed to the continuous review and enhancement of its processes to maintain alignment with all federal requirements, thereby reinforcing its dedication to upholding the highest standards of compliance and reporting accuracy.	June 01, 2025 Vera Ricciardi 609-930-1479 VeraEllen.Ricciardi@dca.nj.gov
Workforce Innovation and Opportunity Act (WIOA) Cluster (17.258, 17.259, 17.278) State Agency: Department of Labor and Workforce Development Federal Agency: U.S. Department of Labor		
<i>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</i>		
FINDING #1	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON
2025-003 2024-005 2023-006 2022-007	The New Jersey Department of Labor and Workforce Development (DLWD) has transitioned from a manual contract agreement process to a web-based grant administration system using the System for Administering Grants Electronically (SAGE) and IntelliGrants (IGX) applications. The DLWD FFATA Reporting Unit accesses these automated systems and monitors them monthly to identify new Subaward contracts/agreements for timely reporting in the FFATA system. Additionally, the DLWD Fiscal & Accounting Division will complete the full implementation of this transition by developing stronger internal controls and procedures to ensure that all required subawards are reported no later than the end of the month following issuance, in accordance with FFATA reporting requirements.	July 31, 2026 Ahmanish Robinson (609) 984-4356 Ahmanish.Robinson@dol.nj.gov Theresa Vallely (609) 984-1779 Theresa.Vallely@dol.nj.gov
Workforce Innovation and Opportunity Act (WIOA) Cluster (17.258, 17.259, 17.278) State Agency: Department of Labor and Workforce Development Federal Agency: U.S. Department of Labor		

¹ Current and prior year finding number(s)

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**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
VIEWS OF RESPONSIBLE OFFICIALS
AND CORRECTIVE ACTION PLANS FOR CURRENT YEAR FINDINGS**

Subrecipient Monitoring		
FINDING #1	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON & PHONE#
2025-004 No finding in prior year	The New Jersey Department of Labor and Workforce Development’s (DLWD) Workforce Division will review and enhance internal controls and procedures in accordance with 2CFR 200.303 to ensure that all required federal award information is included in its subawards. Additionally, DLWD will monitor all subrecipients to verify they are audited as required under Subpart F of the Uniform Guidance.	August 31, 2026 Baden Almonor (609) 777-1042 Baden.Almonor@dol.nj.gov Theresa Vallely (609) 984-1779 Theresa.Vallely@dol.nj.gov
Covid-19 - Coronavirus Capital Projects Funds (21.029) State Agency: Department of Community Affairs Federal Agency: U.S. Department of the Treasury		
Reporting – Federal Funding Accountability and Transparency Act (FFATA)		
FINDING #1	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON & PHONE#
2025-005 2024-007	The Department of Community Affairs (DCA) has effectively executed a comprehensive corrective action plan to address and rectify findings related to the Federal Funding Accountability and Transparency Act (FFATA). The issue of late FFATA submissions was originally identified in the Single Audit for fiscal year 2024. In recognition of the overlap, DCA undertook all necessary updates and enhancements to its reporting processes prior to the fiscal year 2025 audit. The findings persisted into fiscal year 2025 due to the inability to make retroactive changes in SAM.gov for past updates. To mitigate this, the department has implemented robust protocols and systems designed to ensure the accuracy and timeliness of future financial disclosures, thereby preventing the recurrence of similar issues.	June 01, 2025 Vera Ricciardi 609-930-1479 VeraEllen.Ricciardi@dca.nj.gov
Temporary Assistance for Needy Families (93.558) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services		
Reporting – Federal Financial Accountability and Transparency Act (FFATA)		
FINDING #1	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON
2025-006 2024-009 2023-016	The New Jersey Department of Human Services’ Division of Family Development (DHD/DFD) has taken significant steps to ensure the effective management of FFATA (Federal Funding Accountability and Transparency Act) data. DHD/DFD has appointed qualified personnel dedicated to the accurate reporting of FFATA information. All appointed personnel have undergone comprehensive training programs designed to equip them with the knowledge and skills required for the accurate entry and maintenance of FFATA data.	June 30, 2026 Robert Hughes (609) 584-4041 Robert.Hughes@dhs.nj.gov

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
VIEWS OF RESPONSIBLE OFFICIALS
AND CORRECTIVE ACTION PLANS FOR CURRENT YEAR FINDINGS**

	DHD/DFD and its internal units will work in close coordination to manage, review, and validate FFATA submissions.	
Child Care and Development Fund Cluster (93.575, 93.596) COVID-19 Child Care and Development Fund Cluster (93.575, 93.596) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services		
<i>Reporting – Federal Financial Accountability and Transparency Act (FFATA)</i>		
FINDING #¹	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON
2025-007 2024-011 2023-020 2022-020	The New Jersey Department of Human Services’ Division of Family Development (DHD/DFD) has taken significant steps to ensure the effective management of FFATA (Federal Funding Accountability and Transparency Act) data. DHD/DFD has appointed qualified personnel dedicated to the accurate reporting of FFATA information. All appointed personnel have undergone comprehensive training programs designed to equip them with the knowledge and skills required for accurate entry and maintenance of FFATA data. DHD/DFD and its internal units will work in close coordination to manage, review, and validate FFATA submissions.	June 30, 2026 Robert Hughes (609) 584-4041 Robert.Hughes@dhs.nj.gov
Social Services Block Grant (93.667) State Agency: Department of Children and Families Federal Agency: U.S. Department of Health and Human Services		
<i>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</i>		
FINDING #¹	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON & PHONE#
2025-008 No finding in prior year	The Department of Children and Families (DCF) will conduct a thorough review of its current procedures to ensure that all required subawards are reported in a timely manner to SAM.gov (System for Award Management). Specifically, DCF will verify that each subaward is reported no later than the end of the month following the month in which the award is issued or upon the allocation of funding to subrecipients. This review will include evaluating existing protocols for subaward reporting to identify any gaps or areas for improvement and implementing regular monitoring and compliance checks to verify that subawards are being reported accurately and timely.	March 31, 2026 Steven M. Dodson (609)-888-7555 Steven.Dodson@dcf.nj.gov
Block Grants for Prevention and Treatment of Substance Abuse (93.959) COVID-19 –Block Grants for Prevention and Treatment of Substance Abuse (93.959) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services		
<i>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</i>		
FINDING #¹	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON & PHONE#

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
VIEWS OF RESPONSIBLE OFFICIALS
AND CORRECTIVE ACTION PLANS FOR CURRENT YEAR FINDINGS**

<p>2025-009 2024-015 2023-026</p>	<p>The Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) does not dispute the FFATA upload dates for three (3) of the thirteen (13) subawards tested, but it disputes that such uploads were untimely.</p> <p>One subaward was uploaded only seven (7) days late. DMHAS submits that it substantially complied, no finding should issue and no corrective action is required in that instance.</p> <p>The two (2) remaining awards at issue were funded with the ARPA Block Grant. On March 24, 2025, U.S. DHHS took unprecedented action and issued a notice of early termination of ARPA funding, purportedly for cause because the Covid-19 health emergency had ended. The notice of early termination and subsequent, revised Notice of Award (NOA), required DMHAS to cease all activities. It also sought to revise the original grant terms, retroactive to the original September 1, 2021 project start date. By way of example, the revised NOA also includes new conditions and certifications required to draw down federal funds.</p> <p>DMHAS complied with the notice of early termination and immediately ceased all activities; it stopped issuing subaward letters, it ceased all subaward uploads into its Contract Information Management System, it stopped all reimbursements, and it stopped all FFATA uploads pending or in process. Also in response to the abrupt early termination of funding, DMHAS issued “stop work” orders to all impacted agencies and advised that there was no assurance of reimbursement as of the effective date of notice. Shortly thereafter, DMHAS joined numerous other State authorities and filed a formal complaint in federal district court, alleging that the early termination was unlawful and caused the States irreparable harm. On April 5, 2025, the court entered a temporary injunction and scheduled a hearing for preliminary injunctive relief. U.S. DHHS moved for reconsideration. Several weeks later, the Court entered a preliminary injunction enjoining the enforcement of the early termination of ARPA until further order of the Court.</p> <p>The cessation of FFATA uploads from the March termination to the receipt of injunctive relief was necessary to:</p> <ol style="list-style-type: none"> 1. Maintain strict compliance with the revised NOA terms and conditions, including the written obligation to cease all activities; 2. Maintain strict compliance with the revised NOA terms and conditions, by issuing “stop work” orders; 3. Ensuring DMHAS’s “stop work” orders were not superseded by FFATA uploads or USA Spending publications while the request for injunctive relief was pending, so no individual or entity (including the US Office of the Attorney General, US DHHS, or subawardee) could construe the upload as renewed authority to continue to expend funds through subaward end date; 4. Fully protect the prosecution of DMHAS’s claims in the pending, federal litigation, as well as DMHAS’s defenses; and 5. Mitigate DMHAS and subawardee damages in the underlying litigation. <p>Based on the unprecedented early termination of block grant funding and ensuing litigation, DMHAS submits that the timeline to complete FFATA uploads was stayed. Such determination is consistent with the Court’s preliminary injunction, which makes clear that U.S. DHHS immediately treat any actions taken to implement or enforce the early funding terminations, as null and void and rescinded. Therefore, DMHAS should not be issued a FFATA finding that relates directly to the revised NOAs or the direction to cease all activities, and under these extraordinary circumstances, the uploads in question should be classified as non-reportable and immaterial, with no corrective action required.</p>	<p>January 1, 2025</p> <p>Gordon Horvath, CFO (609) 544-6817 Gordon.Horvath@dhs.nj.gov</p> <p>John Fogliano, Deputy CFO (609) 438-4278 John.Fogliano@dhs.nj.gov</p>
<p>Disaster Grants –Public Assistance (Presidentially Declared Disasters) (97.036) COVID-19 Disaster Grants –Public Assistance (Presidentially Declared Disasters) (97.036) State Agency: Department of Law and Public Safety Federal Agency: U.S. Department of Homeland Security</p>		

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
VIEWS OF RESPONSIBLE OFFICIALS
AND CORRECTIVE ACTION PLANS FOR CURRENT YEAR FINDINGS**

<i>Reporting - Federal Funding Accountability and Transparency Act (FFATA)</i>		
FINDING # ¹	VIEWS OF RESPONSIBLE OFFICIALS AND CORRECTIVE ACTION PLAN	COMPLETION DATE/ CONTACT PERSON & PHONE#
2025-010 2024-016 2023-028	The Department of Law and Public Safety (DLPS) acknowledges that certain FFATA reports for awards obligated in prior fiscal years were not submitted on time due to technical issues with the FEMA system, which prevented timely reporting. These technical issues have since been resolved. The DLPS has been in full compliance with FFATA reporting requirements since August 2024.	Fiscal Year 2024 and Ongoing Salvatore Marcello (609) 882-2000 ext.3046 Salvatore.Marcello@njsp.gov

¹ Current and prior year finding number(s)



State of New Jersey

DEPARTMENT OF THE TREASURY
OFFICE OF MANAGEMENT AND BUDGET
P. O. Box 221
TRENTON, NEW JERSEY 08625-0221

MIKIE SHERRILL
Governor

AARON BINDER
State Treasurer

DR. DALE G. CALDWELL
Lt. Governor

Telephone (609) 292-6746 / Facsimile (609) 633-8179

TARIQ SHABAZZ
Acting Director

March 27, 2026

To Whom It May Concern:

Attached for your review and reference is the State of New Jersey Fiscal Year 2025 *Summary Schedule of Prior Audit Findings*.

This document details the status of corrective actions for audit findings noted under the *State of New Jersey Single Audit Report* for the Fiscal Years ended June 30, 2025, June 30, 2024, June 30, 2022, June 30, 2021, June 30, 2020, June 30, 2019, and June 30, 2018, respectively.

Sincerely,

Lyudmila McGann

Lyudmila McGann
Single Audit Coordinator
Treasury-Office of Management and Budget

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Attachment

STATE OF NEW JERSEY SINGLE AUDIT

FISCAL YEAR 2025



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

Open Audit Findings from Year Ended June 30, 2024 Single Audit		
<p>Community Development Block Grants Disaster Recovery (14.269, 14.272) State Agency: Department of Community Affairs Federal Agency: U.S. Department of Housing and Urban Development</p> <p>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</p>		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-001 No finding in prior year</p>	<p>FY 2024 CAP: The New Jersey Department of Community Affairs (DCA) recognizes the need to strengthen its monitoring of Subaward reporting requirements to ensure timely reporting. To address this, the agency is already in the process of updating its policies and procedures to enhance oversight and compliance.</p> <p>As part of the policy updates, the DCA is assigning designated staff to track Subaward issuance and reporting. This ensures clear accountability and improves oversight of reporting requirements. The DCA is working to integrate automated reminders and alerts into its processes to notify designated staff of upcoming Subaward reporting deadlines. This proactive approach minimizes the risk of missed reporting obligations.</p> <p>The DCA is also working to establish a process for conducting periodic compliance reviews to assess adherence to FFATA Subaward reporting requirements. These reviews will help identify potential issues early and allow for timely corrective actions.</p> <p>To reinforce FFATA compliance, the DCA is working to implement a training initiative to ensure designated staff are knowledgeable about FFATA requirements and the importance of timely reporting. Regular communication efforts will further promote awareness and adherence to reporting deadlines.</p>	<p>Vera Ricciardi 609-930-1479 VeraEllen.Ricciardi@dca.nj.gov</p> <p>Completion Date – June 01, 2025</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of June 01, 2025. The New Jersey Department of Community Affairs (DCA) has designated staff to request monthly FFATA updates from subrecipients and coordinate the reporting of the required information into SAM.GOV. The designated staff have participated in FFATA training, resulting in an improved understanding of the requirements. DCA has also established and documented a process for regular compliance reviews and captures FFATA-related information while monitoring for the accuracy and completeness of reporting.</p>
<p>Unemployment Insurance (17.225) COVID-19 Unemployment Insurance (17.225) State Agency: Department of Labor and Workforce Development Federal Agency: U.S. Department of Labor</p> <p>Eligibility</p>		
<p>2024-002 2023-001 2022-003 2021-007 2020-005</p>	<p>FY 2024 CAP: The New Jersey Department of Labor and Workforce Development (DLWD) has reviewed the controls in place for the Pandemic Unemployment Assistance (PUA) and Federal Pandemic Unemployment Compensation (FPUC) programs that expired with payments for CWE on 9/4/21. The system controls in place for FPUC continue to require that an underlying UI/PUA payment must first be issued before any FPUC payment can be generated.</p> <p>Similar controls were in place for any PUA payments, where claimants had to choose a valid pandemic-related reason for being unemployed before any PUA payment could be issued. These controls, which were required before any CARES Act-related payment could be issued, were in place for the duration of the CARES Act program. No PUA or FPUC payment should be issued without these requirements being met. We will continue to enforce these controls.</p>	<p>Ronald Marino - DLWD (609) 292-2810 Ronald.Marino@dol.nj.gov</p> <p>Completion Date: September 30, 2024.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of September 30, 2024.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>FY 2023 CAP Update: Management has reviewed the controls in place for the PUA and FPUC programs that expired with payments for CWE 9/4/21. The system controls in place for FPUC require that an underlying UI/PUA payment must first be issued before any FPUC payment could be generated. Similar controls were in place for any PUA payments, where claimants have to choose a valid pandemic related reason for being unemployed before any PUA payment could be issued. These controls, before any CARES Act related payment could be issued, were in place for the duration of the CARES Act program. No PUA or FPUC payment should be issued without these requirements being met.</p> <p>FY 2023 CAP: The Department of Labor and Workforce Development (DLWD) has controls in place to ensure that an FPUC payment is only made when an underlying Unemployment Insurance (UI) payment has also been processed. FPUC payments are not issued to any claim without the underlying UI payment being made for the same week. The FPUC payments issued and noted as exceptions during eligibility testing will undergo a thorough independent review by DLWD to determine if the accuracy of payments issued to eligible recipients.</p> <p>For the PUA exceptions noted during Eligibility testing, overall the DLWD issued PUA payments to over 680,000 claimants during the COVID-19 pandemic. DLWD had controls in place to require a COVID related reason to make the claim PUA eligible. This means the weekly PUA certification required claimants to choose a reason directly related to the COVID-19 pandemic for why they were out of work before they could get paid. The PUA payments in question will be reviewed independently by the DLWD to determine if the payments issued under PUA were appropriate or if they should have been paid instead under the regular UI program.</p> <p>DLWD corrective actions related to FPUC and PUA payments were fully implemented as of September 2023.</p> <p>FY 2022 CAP Update: No change to current plan as corrective actions have been fully implemented as of September 2023.</p> <p>FY 2022 CAP Update: The Department of Labor and Workforce Development (DLWD) has controls in place to only allow an FPUC payment to be made when an underlying Unemployment Insurance (UI) payment has also been processed. FPUC payments should not be issued to any claim without the underlying UI payment being made for the same week. The two FPUC payments issued and noted as exceptions during eligibility testing will be reviewed independently by DLWD to determine if the payments issued were to eligible recipients or not.</p> <p>For the PUA exceptions noted during Eligibility testing, overall the DLWD issued PUA payments to over 680,000 claimants during the COVID-19 pandemic. DLWD had controls in place to require a COVID related reason to make the claim PUA eligible and the weekly PUA certification required claimants to choose a COVID related reason for why they were out of work before they could get paid. The PUA payments in question will be reviewed independently by the DLWD to determine if the payments issued under PUA were appropriate or if they should have been paid instead under the regular UI program.</p>	
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>FY 2021 CAP Update: There is no change to the current plan as corrective actions have been partially implemented since the last audit period. As referenced in the FY 2021 corrective action plan, the training curriculum for newly hired staff specifically addresses the requirement that there be “no fault” on the part of the claimant which directly led to the claimant’s separation from employment.</p> <p>Any claimants who were improperly paid benefits whether from regular UI or from the CARES Act program are included in the billing and collection process.</p> <p>FY 2021 CAP: The Division of Unemployment Insurance (DUI) will emphasize in its ongoing training plan for all Unemployment Insurance (UI) employees the requirement to confirm that the claimant, in order to be eligible to receive UI benefits, was not at fault for their separation from employment.</p> <p>Since the Pandemic Unemployment Assistance (PUA) program ended over a year ago on September 4, 2021 and PUA claims are no longer being filed, no action will be taken by the DUI at this time to alert staff of the requirement to ensure that one of the COVID-19 related reasons was not identified. Steps will also be taken by the DUI to attempt to recoup any UI or PUA benefits that were improperly paid.</p>	
<p>Unemployment Insurance (17.225) COVID-19 Unemployment Insurance (17.225) State Agency: Department of Labor and Workforce Development Federal Agency: U.S. Department of Labor</p>		
<p>Special Tests and Provisions – UI Reemployment Programs – RESEA</p>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-003 2023-002 2022-005</p>	<p>FY 2024 CAP: The New Jersey Department of Labor and Workforce Development (DLWD) has policies and procedures in place that ensure internal controls over RESEA include the retention of documentation of each participant’s eligibility. All required Reemployment Services and Eligibility Assessment (RESEA) forms are collected from the participant and reviewed to determine UI eligibility by staff who are trained in RESEA and UI policy. Staff are required to upload all participant documentation into our online case management system, where the information is available to staff indefinitely.</p> <p>DLWD will continue to provide training to staff to ensure that all participants are provided with services in a timely manner and that all documentation is uploaded into our case management system. Corrective actions will be fully implemented as of June 30, 2025.</p> <p>FY 2023 CAP Update: There is no change to the current plan, as corrective actions have been fully implemented as of June 30, 2023.</p> <p>FY 2023 CAP: The Reemployment Services and Eligibility Assessments (RESEA) policy and controls presently in place at the Department of Labor and Workforce Development (DLWD) require eligibility interviews to be conducted and eligibility review forms to be completed and signed by the participant and UI program representative. DLWD implemented a new process that allows staff to electronically obtain signatures through Simpligov, beginning June 2023. This process requires that staff obtain all</p>	<p>Baden Almonor (609) 777-1042 Baden.Almonor@dol.nj.gov</p> <p>Completion Date: June 30, 2025.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of June 30, 2025.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>necessary signatures before a RESEA claimant record is completed. Supervisors are assigned to monitor this process in order to mitigate the risk associated with missing information on any single RESEA customer registration. DLWD will monitor this process to ensure that all interviews are properly documented, and forms are signed and electronically uploaded to its electronic case management system of record for future reference. During the initial rollout of this process, there were records that didn't migrate to the case management system of record. This issue has now been addressed through training. DLWD has also developed dashboards that will assist with monitoring data entry. Monthly reviews of RESEA data entry will be conducted to identify possible errors. These RESEA process changes that will be implemented by DLWD will ensure compliance with regulatory standards and assist with maintaining the integrity of its data management process.</p> <p>FY 2022 CAP Update: There is no change to the current plan, as corrective actions have been fully implemented as of June 30, 2023.</p> <p>FY 2022 CAP: The RESEA policy and controls presently in place at DLWD require eligibility interviews to be conducted and eligibility review forms to be completed and signed by the participant and UI program representative. DLWD will work to strengthen and reinforce these controls with responsible staff in an effort to ensure that all interviews are properly documented, and eligibility review forms are signed and maintained on file for future reference and compliance support.</p>	
<p>Unemployment Insurance (17.225) COVID-19 Unemployment Insurance (17.225) State Agency: Department of Labor and Workforce Development Federal Agency: U.S. Department of Labor</p> <p>Reporting – ETA 9050 and ETA 9052</p>		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-004 2023-004 2022-004 2021-010</p>	<p>FY 2024 CAP: The New Jersey Department of Labor and Workforce Development (DLWD) continues to monitor workloads for both first payment and non-monetary time lapse measurements. Identity verification remains an issue with a segment of the claim population, and delays with claimants completing their ID verification have a direct bearing on first payment and non-monetary time lapse.</p> <p>DLWD will continue to work on improving communications around the importance of timely verifying ID and providing assistance to claimants who may be struggling with this process. DLWD has been working with the USDOL to expand identity verification options and expects the new process to be in full production by June 30, 2025. It will allow claimants to report to any USPS Post Office for an in-person ID verification.</p> <p>This additional in-person option to complete ID verification provides greater flexibility for claimants to meet this requirement, especially those who struggle with the digital verification process that DLWD currently uses. We expect the new process to have a positive impact on time lapse scores and overall improvement for these metrics.</p> <p>The most recent time lapse figures showed that for the period November 2024 through February 2025, combined non-monetary time lapse exceeded the 80% ALP for each month.</p>	<p>Ronald Marino - DLWD (609) 292-2810 Ronald.Marino@dol.nj.gov</p> <p>Revised Completion Date: January 31, 2026.</p> <p>There are no changes to the current plan. Implementation remains contingent upon actions by the U.S. Department of Labor. The agency continues to monitor progress and maintain communication with the U.S. Department of Labor (USDOL) to ensure the CAP is implemented promptly once those actions are completed.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<p>FY 2023 CAP Update: New Jersey continues to monitor workloads for both first payment and non-monetary time lapse measurements. Identity verification remains an issue with a segment of the claim population, and delays with claimants completing their ID verification has a direct bearing on first payment and non-monetary time lapse. New Jersey will continue to work on improving communications around the importance of timely verifying ID and provide assistance to claimants that may be struggling with this process. New Jersey has been working with USDOL to expand identity verification options and fully expects to have an agreement in place by the end of 2024 to allow claimants to report to any USPS Post Office for an in-person ID verification. This additional in-person option to complete ID verification provides greater flexibility for claimants to complete this requirement, especially those that struggle with the digital verification process that NJLWD currently uses. Once this in-person process at USPS is in place, it is expected to have a positive impact on time lapse scores and overall improvement for these metrics should show starting in early 2025.</p> <p>FY 2023 CAP: The Department of Labor and Workforce Development (DLWD) continues to monitor all first payment and non-monetary time lapse figures in order to meet the established USDOL Acceptable Levels of Performance (ALP). As workloads return to normal levels after the increased activity from the COVID-19 pandemic related claims, greater emphasis will continue to be placed on meeting all ALPs. Specifically relating to first payments and the previously discussed issues with claimants verifying their identity before any payments can be made, the DLWD has made some internal changes to how returned verified IDs from our ID verification partner (ID.me) are handled. These modifications to the internal process used to clear verified IDs are expected to have a positive impact on overall time lapse numbers as verified claimants will not be delayed longer than they previously were under the old process. The month of April starts the new reporting year for these figures to USDOL and New Jersey expects to see significant increases to first payment and non-monetary time lapse figures by the third quarter of calendar year 2024.</p> <p>FY 2022 CAP Update: There is no change to the current plan, as corrective actions have been fully implemented as of September 2023.</p> <p>FY 2022 CAP: New Jersey continues to make progress towards meeting the first payment and non-monetary time lapse standards as recovery from the historic claims filing related to the COVID-19 pandemic continues. As indicated in the prior year update, time lapse standards for both first payment and non-monetary continue to increase from the lows seen during the pandemic. Most recent figures for February 2023 show first payment time lapse at 65.1% and year-to-date at 54.5%, both up from what was reported last November 2022 at 40% and 36.4%, respectively. Non-monetary time lapse figures have also improved, with the most recent February 2023 figures reported as 62.6% for the month and 44.1% year-to-date, which is up from 24.0% for March 2022 and year-to-date at that time of 33.0%). It is important to note that before the pandemic hit in March 2020, New Jersey current figures at that time met all first payment and non-monetary time lapse standards for the reporting year that ended March 2020. The decrease to the timeliness figures is a direct result of the significant increase to workload volumes resulting from the pandemic and not due to a lack of proper internal controls.</p>	
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>In addition to the high workloads, New Jersey has also implemented strict anti-fraud measures that include all new claims filed going through an identity proofing process before any payments can be issued. Delays on the claimant end to complete the verification process – either by the claimant not going through the process or having difficulty with completing it – also will have a direct impact on first payment time lapse. Increased education to claimants on the requirement to verify their ID, as well as increasing the tools and greater availability of support for ID verification will provide claimants with more options to meet this requirement. New Jersey has worked with our identity verification partner to allow for three different methods of verification; 1) self-service online, 2) connect to a ‘Trusted Referee’ with our identity verification partner who will provide the verification online through a video call, or 3) an in-person appointment at a walk-in center to complete the process. In addition to what is offered by the vendor, One Stop centers throughout the State have been equipped with upgraded monitors with cameras that will allow claimants that are unable to complete the process with our vendor to report to one of these centers and complete the process there.</p> <p>As New Jersey continues to work through the backlog of claims, it is anticipated that overall time lapse figures will continue to improve and for the reporting year ending March 2024 progress will be made towards meeting the established standards.</p> <p>FY 2021 CAP Update: There is no change to current current plan, as corrective actions have been partially implemented since the last audit period. As indicated in the FY 2021 CAP, the volume of initial claims filed due to the COVID-19 pandemic made it extremely difficult to meet the timeliness requirements. UI has made strides toward meeting the ETA performance measures for timely filing now that the CARES Act programs have ended and there has been a significant reduction in the volume of initial claims filed. For example, the June 2022 timeliness percentage within 21 days was 40.0% and the year-to-date was 36.4% and the November 2022 percentage was 63.7% and the year-to-date was 45.7% to illustrate the progress made in recent months.</p> <p>FY 2021 CAP: This new ETA reporting audit finding noted for the UI program is directly attributable to the massive volume of claims that were filed when businesses were shut down throughout the duration of the COVID-19 pandemic, and the fact that most of the claimants were brand new to the filing process. As a result, the DLWD was unable to meet the timeliness requirements during the FY 2021 audit period that directly coincided with the COVID-19 pandemic. This was a condition affecting all States and the USDOL has recognized this extremely rare situation and the difficulty it presented with complying with the timeliness requirements without penalty. DLWD expects this finding to be an isolated citation that will be corrected and come back into compliance under regular operating procedures now that the extraordinary volume created during the pandemic period has decreased significantly.</p>	
<p>Workforce Innovation and Opportunity Act (WIOA) Cluster (17.258, 17.259, 17.278) State Agency: Department of Labor and Workforce Development Federal Agency: U.S. Department of Labor</p> <p>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</p>		
<p>FINDING #1</p>	<p>ORIGINAL CORRECTIVE ACTION PLAN</p>	<p>UPDATED PLAN & COMPLETION DATE</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<p>2024-005 2023-006 2022-007</p>	<p>FY 2024 CAP: The New Jersey Department of Labor and Workforce Development (DLWD) transitioned from a manual contract agreement process to a web-based grant administration system that employs the System for Administering Grants Electronically (SAGE) and IntelliGrants (IGX) applications. The DLWD FFATA Reporting Unit has access to these automated systems and monitors them monthly to identify when new Subaward contracts/agreements are approved to report the required data in the FFATA system. DLWD corrective actions regarding FFATA reporting were fully implemented as of June 30, 2024.</p> <p>FY 2023 CAP Update: The Department of Labor and Workforce Development (NJLWD) has implemented a procedure to ensure that FFATA reporting unit is notified both manually and/or electronically when a new subaward contracts/agreements are approved in order to report required data in the FFATA system timely. NJLWD corrective actions regarding FFATA reporting has been fully implemented as of June 30, 2024.</p> <p>FY 2023 CAP: The Department of Labor and Workforce Development (DLWD) transitioned from a manual contract agreement process to a web-based grant administration system in recent years that employs the System for Administering Grants Electronically (SAGE) and IntelliGrants (IGX) applications. The DLWD FFATA Reporting Unit has access to these automated systems and monitors them on a monthly basis to identify when new subaward contracts/agreements are approved in order to report required data in the FFATA system timely. DLWD corrective actions regarding FFATA reporting are expected to be fully implemented as of June 30, 2024.</p> <p>FY 2022 CAP Update: There is no change to the current plan, as corrective actions are still in the process of being implemented with new anticipated completion date of June 30, 2024.</p> <p>FY 2022 CAP: In recent years, DLWD has transitioned from a manual contract process to a web-based system (i.e., SAGE and IGX systems) and has also experienced changes in personnel responsible for the contracting process. Although progress has been made with getting the FFATA Reporting Unit access to these automated systems, the DLWD will continue to enhance communication between the offices that prepare and approve the contracts/agreements and the FFATA Reporting Unit. DLWD will also develop procedures to ensure that timely and accurate information is provided to the FFATA Reporting Unit and that group will also be included in the grant approval process, so the unit is notified timely.</p>	<p>Ahmanish Robinson (609) 984-4356 Ahmanish.Robinson@dol.nj.gov</p> <p>Theresa Vallely (609) 984-1779 Theresa.Vallely@dol.nj.gov</p> <p>Completion Date: June 30, 2024.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of June 30, 2024.</p>
<p>Highway Planning and Construction (20.205) State Agency: Department of Transportation Federal Agency: U.S. Department of Transportation</p>		
<p>Special Tests and Provisions - Utilities</p>		
<p>FINDING #¹</p>	<p>ORIGINAL CORRECTIVE ACTION PLAN</p>	<p>UPDATED PLAN & COMPLETION DATE</p>
<p>2024-006 No finding in prior year</p>	<p>FY 2024 CAP: The New Jersey Department of Transportation (NJDOT) has finalized its Utility Accommodation Policy (UAP) to align with federal requirements. The UAP follows the formal state regulatory process and was re-adopted on June 6, 2023, with technical changes. The UAP remains in full force and effect.</p>	<p>Vince Martorana (609) 963-1825 Vince.Martorana@dot.nj.gov</p> <p>James Lepri</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>In compliance with federal rules, the UAP is being amended to incorporate provisions for Broadband and Telecommunications and Video Surveillance. The amended language has been reviewed and approved by the Federal Highway Administration (FHWA). The UAP is progressing through the formal regulatory process.</p> <p>The policy is expected to be published on April 7, 2025. A 60-day public comment period will follow, allowing stakeholders to provide feedback. Once the public comment period is completed, the revised UAP will be implemented immediately to ensure compliance. The DOT will continue to monitor the implementation and ensure that all utility accommodation actions align with the newly approved policy.</p>	<p>(609) 963-1837 James.Lepri@dot.nj.gov</p> <p>Revised Completion Date: September 9, 2025.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of September 9, 2025. No public comments were received. The amendments were adopted on July 21, 2025. The Utility Accommodation Policy (UAP) was sent to the Federal Highway Administration (FHWA) for approval on August 12, 2025. The Federal Highway Administration (FHWA) approved the Utility Accommodation Policy (UAP) on September 9, 2025, and it is in effect through June 2030.</p>
<p>Covid-19 - Coronavirus Capital Projects Funds (21.029) State Agency: Department of Community Affairs Federal Agency: U.S. Department of the Treasury</p> <p>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</p>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-007 No finding in prior year</p>	<p>FY 2024 CAP: The New Jersey Department of Community Affairs (DCA) recognizes the need to strengthen its monitoring of Subaward reporting requirements to ensure timely reporting. To address this, the agency is already in the process of updating its policies and procedures to enhance oversight and compliance.</p> <p>As part of the policy updates, the DCA is assigning designated staff to track Subaward issuance and reporting. This ensures clear accountability and improves oversight of reporting requirements.</p> <p>The DCA is working to integrate automated reminders and alerts into its processes to notify designated staff of upcoming Subaward reporting deadlines. This proactive approach minimizes the risk of missed reporting obligations.</p> <p>The DCA is also working to establish a process for conducting periodic compliance reviews to assess adherence to FFATA Subaward reporting requirements. These reviews will help identify potential issues early and allow for timely corrective actions.</p> <p>To reinforce FFATA compliance, the DCA is working to implement a training initiative to ensure designated staff are knowledgeable about FFATA requirements and the importance of timely reporting. Regular communication efforts will further promote awareness and adherence to reporting deadlines.</p>	<p>Vera Ricciardi 609-930-1479 VeraEllen.Ricciardi@dca.nj.gov</p> <p>Completion Date: June 01, 2025.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of June 1, 2025. The New Jersey Department of Community Affairs (DCA) has designated staff to request monthly FFATA updates from subrecipients and coordinate the reporting of the required information. The designated staff participated in FFATA training, resulting in an improved understanding of the requirements. The New Jersey Department of Community Affairs (DCA) has also established and documented a process for monitoring and capturing FFATA-related information while evaluating internal controls. Monitors will verify compliance with FFATA as part of the monitoring for each program.</p>
<p>Aging Cluster (93.044, 93.045, 93.053) COVID-19 Aging Cluster (93.044, 93.045, 93.053) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services</p> <p>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</p>		

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-008 2023-012 2022-012 2021-015</p>	<p>FY 2024 CAP: The Division of Aging Services (DoAS) hired a fiscal staff member in June 2024. The responsibilities of this position include the timely and accurate submission of FFATA reports. We are confident that with the addition of this staff member, we will be able to comply with managing FFATA reporting requirements and ensure timely submissions.</p> <p>FY 2023 CAP Update: The FFATA Reporting process is in place effective June 2023. Recently DoAS was able to hire new staff who is responsible for submitting FFATA reports in timely manner. The Divisional staff is currently working to update with timely submission. DoAS is now in compliance with this timely submission of FFATA reports.</p> <p>FY 2023 CAP: The Division of Aging Services (DoAS) implemented the FFATA reporting process in June 2023; however, DoAS fell behind on timely submission of FFATA reports due to staffing constraints. To address this issue, the DoAS plans to hire a fiscal analyst dedicated to managing FFATA reporting. DoAS is planning to be up to date on FFATA reporting and timely submission within 90 days.</p> <p>FY 2022 CAP Update: There is no change to the current plan, as corrective actions have been fully implemented as of June 2023. The FFATA Reporting process is in place effective June 2023 and the DoAS is now in compliance with these reporting requirements.</p> <p>FY 2022 CAP: The Department of Human Services, Division of Aging Services (DoAS) continues to work towards attaining full compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements. The DoAS continues to consult with the Department and/or other DHS Division fiscal leadership to finalize the FFATA procedures. These procedures shall include creating a list of all active first-tier subawards of federal funds DoAS has issued at \$30,000 or more. The list will include all the data fields required for FFATA reporting. DoAS grants management members will ensure each of the identified subawards is entered on the Federal Subaward Reporting System (FSRS) website. DoAS will also revise internal procedures to ensure all future subawards of \$30,000 or more are entered on FSRS within 30 days of award.</p> <p>FY 2021 CAP Update: There is no change to the current plan. Completion date extended to March 31, 2023.</p> <p>FY 2021 CAP: The Department of Human Services, Division of Aging Services (DoAS) will attain full compliance with Federal Funding Accountability and Transparency Act (FFATA) requirements. The DoAS will consult with the Department and/or other DHS Division fiscal leadership to develop its FFATA procedures. These procedures shall include creating a list of all active first-tier subawards of federal funds DoAS has issued at \$30,000 or more. The list will include all the data fields required for FFATA reporting. DoAS grants management members will ensure each of the identified subawards is entered on the Federal Subaward Reporting System (FSRS) website. DoAS will revise internal procedures to ensure all future subawards of \$30,000 or more are entered on FSRS within 30 days of award.</p>	<p>Hetal Bhatt (609) 438-4586 Hetal.Bhatt2@dhs.nj.gov</p> <p>Mary Kurfuss (609) 564-2623 Mary.kurfuss@dhs.nj.gov</p> <p>Completion Date: June 30, 2025</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of June 30, 2025. The FFATA Reporting process is in place for the Division of Aging Services (DoAS). DoAS has hired new employees who are responsible for submitting FFATA reports in a timely manner. DoAS is ensuring the timely submission of FFATA reports.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

Temporary Assistance for Needy Families (93.558) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services		
Reporting – Federal Financial Accountability and Transparency Act (FFATA)		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2024-009 2023-016	<p>FY 2024 CAP: The New Jersey Department of Human Services’ Division of Family Development (DHD/DFD) acknowledges the audit finding regarding the required submission of Subawards to the FFATA Subaward Reporting System (FSRS). One of the primary factors that contributed to non-compliance was system inefficiencies in the FSRS, which led to challenges in tracking, reporting, and ensuring data accuracy.</p> <p>With the transition of Subaward reporting from FSRS to sam.gov, the DHD/DFD expects this change to be beneficial in developing effective internal controls and procedures, addressing past compliance challenges, and creating a sustainable reporting framework.</p> <p>FY 2023 CAP Update: Staff assignment and training is currently in progress. The Division requires more time for implementation and submission of federal grant information.</p> <p>FY 2023 CAP: The Department of Human Services’ Division of Family Development (DFD) agrees with the audit finding regarding the required submission of subawards to the FFATA Subaward Reporting System (FSRS). Due to the complexity and time required to compile and report FFATA subaward data, the DFD is in the process of creating a new full-time equivalent position (FTE) for this required federal reporting task.</p> <p>In accordance with the finding recommendation, the DFD will develop internal controls and procedures to ensure the timely reporting of all required subawards to FSRS. An initial review of the FSRS by DFD fiscal staff appeared to indicate that some federal grant award data that should be prepopulated by the awarding federal agency and available on the website was missing (e.g. Child Care M&M available; Discretionary not found). Staff will reach out to the necessary federal agencies to communicate instances of missing federal award information in an effort to ensure that the DFD has the ability to input the required subaward information. Policy Completion Date: June 30, 2024.</p> <p>DFD anticipates that the assessment and development of policy and procedures related to this task will take approximately three (3) months. Staff assignments, training, and submission of federal grant subaward information to the federal website will occur over the next state fiscal year.</p>	<p>Thomas Mattaliano, CFO-DFD (609) 588-3370 Thomas.Mattaliano@dhs.nj.gov</p> <p>Revised Completion Date: June 30, 2026.</p> <p>There is no change to the current plan, as corrective actions are still in the process of being implemented, with a new anticipated completion date of June 30, 2026. The New Jersey Department of Human Services’ Division of Family Development (DHD/DFD) is in the process of hiring an individual who will be tasked with implementing FFATA protocols. This includes working with federal websites and coordinating the accumulation of required information from the various units within the New Jersey Department of Human Services’ Division of Family Development (DHD/DFD).</p>
Low-Income Home Energy Assistance Program (93.568) COVID-19 Low-Income Home Energy Assistance Program (93.568) State Agency: Department of Community Affairs Federal Agency: U.S. Department of Health and Human Services		
Earmarking		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2024-010 No finding	<p>FY 2024 CAP: The New Jersey Department of Community Affairs (DCA) has revised its processes and procedures related to earmarked funds. Specifically, the spending plan formula has been updated to</p>	<p>Fidel Ekhelar (609) 815-3905</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

in prior year	ensure that the earmark for Administration and Planning does not exceed the allowable 10% threshold. Additionally, the FY 2024 spending plan has been updated, and accounts have been reconciled to reflect the Administration and Planning earmark within the 10% threshold.	Fidel.Ekheldar@dca.nj.gov Revised Completion Date: April 1, 2026. The LIHEAP program will implement enhanced control activities for the LIHEAP Earmark Process and Procedure in addition to the prior correction plan. The program manager will document all budget changes under a distinct column in the spending plan and submit it for approval to the division supervisor and the fiscal manager. Regular monitoring will be conducted to ensure compliance and accuracy. Additionally, reconciliation of the spending plan between the fiscal manager and the program manager will be performed to ensure alignment and accuracy. Training sessions will be completed to ensure that all relevant personnel are aware of and understand the new procedures. Periodic reviews will be conducted as part of the enhanced control activities to further ensure compliance and accuracy.
Child Care and Development Fund Cluster (93.575, 93.596) COVID-19 Child Care and Development Fund Cluster (93.575, 93.596) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services		
Reporting – Federal Financial Accountability and Transparency Act (FFATA)		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2024-011 2023-020 2022-020	<p>FY 2024 CAP: The Department of Human Services’ Division of Family Development (DHS/DFD) acknowledges the audit finding regarding the required submission of Subawards to the FFATA Subaward Reporting System (FSRS). One of the primary factors that contributed to non-compliance was system inefficiencies in the FSRS, which led to challenges in tracking, reporting, and ensuring data accuracy.</p> <p>With the transition of Subaward reporting from FSRS to sam.gov, the DHS/DFD expects this change to be beneficial in developing effective internal controls and procedures, addressing past compliance challenges, and creating a sustainable reporting framework.</p> <p>FY 2023 CAP Update: Staff assignment and training is currently in progress. The Division requires more time for implementation and submission of federal grant information.</p> <p>FY 2023 CAP: The Department of Human Services’ Division of Family Development (DFD) agrees with the audit finding regarding the required submission of subawards to the FFATA Subaward Reporting System (FSRS). Due to the complexity and time required to compile and report FFATA subaward data, the DFD is in the process of creating a new full-time equivalent position (FTE) for this required federal reporting task.</p> <p>In accordance with the finding recommendation, the DFD will develop internal controls and procedures to ensure the timely reporting of all required subawards to FSRS. An initial review of the FSRS by DFD fiscal staff appeared to indicate that some federal grant award data that should be prepopulated by the awarding federal agency and available on the website was missing (e.g. Child Care M&M available;</p>	Thomas Mattaliano, CFO-DFD (609) 588-3370 Thomas.Mattaliano@dhs.nj.gov Completion Date: April 30, 2026. There is no change to the current plan, as corrective actions are still in the process of being implemented, with a new anticipated completion date of June 30, 2026. The Department of Human Services’ Division of Family Development (DHS/DFD) is in the process of hiring an individual who will be tasked with implementing FFATA protocols. This includes working with federal websites and coordinating the accumulation of required information from the various units within the Department of Human Services’ Division of Family Development (DHS/DFD).

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>Discretionary not found). Staff will reach out to the necessary federal agencies to communicate instances of missing federal award information in an effort to ensure that the DFD has the ability to input the required subaward information.</p> <p>DFD anticipates that the assessment and development of policy and procedures related to this task will take approximately three (3) months. Staff assignments, training, and submission of federal grant subaward information to the federal website will occur over the next state fiscal year.</p> <p>FY 2022 CAP Update: There is no change to the current plan, as agency efforts to achieve compliance with FFATA reporting requirements remain ongoing. The development of policy and procedures related to FFATA reporting are still in process. The DFD requires more time for staff assignment, research, and training related to the submission of federal grant information. New projected policy and procedures development completion: March 1, 2024 Assignment and submission of federal reports: June 30, 2024</p> <p>FY 2022 CAP: The DHS Division of Family Development (DFD) agrees with the audit finding regarding the submission of subawards to the FFFATA Subaward Reporting System (FSRS). In accordance with the finding recommendation, the DFD will develop internal controls and procedures to ensure the timely reporting of all required subawards to FSRS. An initial review of the FSRS by DFD fiscal staff appeared to indicate that some federal grant data that should be prepopulated on the website was missing (e.g. Child Care M&M available; discretionary not found). DFD will work with the necessary federal agencies to ensure that the Division can input the required information for all awards. Assessment and development of policy and procedures related to this task will take approximately three months. Staff assignments, training, and submission of federal grant information to the federal website will occur over the next State fiscal year 2024. Projected policy and procedures development completion: July 1, 2023. Assignment and submission of federal reports: June 30, 2024.</p>	
<p>Child Care and Development Fund Cluster (93.575, 93.596) COVID-19 Child Care and Development Fund Cluster (93.575, 93.596) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services</p> <p>Special Test and Provisions- Health and Safety Requirements</p>		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-012 No finding in prior year</p>	<p>FY 2024 CAP: The Department of Human Services' Division of Family Development (DHS/DFD) acknowledges the audit finding that 3 of the 40 sample providers had not been inspected as required by program policy. DHS/DFD contracts with the Department of Children and Families' Office of Licensing (OOL) as the regulatory authority to monitor and inspect licensed centers and family childcare providers.</p> <p>In response to this finding, OOL has implemented internal measures to ensure that monitoring occurs on an annual basis. These measures include the use of the New Jersey Child Care Information System (NJCCIS). A subsequent inspection of licensed childcare centers was conducted on September 13, 2024.</p>	<p>Andrea Breitwieser 609-588-4503 Andrea.Breitwieser@dhs.nj.gov</p> <p>Completion Date: December 31, 2025.</p> <p>There is no change to the current plan, as corrective actions are still in the process of being implemented, with a new anticipated completion date of December 31, 2025.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>Regarding the two other family childcare providers, the Child Care Resource and Referral (CCR&R) works in conjunction with OOL to track health and safety inspections. However, CCR&R did not monitor the two-family childcare providers in 2023. Since then, monitoring has been carried out in 2024, which included a review of the annual training requirements for these providers. To enhance compliance with inspections, CCR&R has acquired updated software to improve its monitoring capabilities.</p> <p>Copies of the 2024 inspection reports can be provided upon request. The DFD’s Office of Child Care will develop internal controls and procedures to ensure that inspections are performed as required by program policy.</p>	
<p>Opioid STR (93.788) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services</p> <p>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</p>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-013 2023-024 No findings in prior year</p>	<p>FY 2024 CAP: The Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) agrees that for fiscal year 2024 it did not complete Federal Funding Accountability & Transparency Act (FFATA) uploads timely.</p> <p>DMHAS maintains written FFATA policies and procedures, and it is compliant with its SSA SFY 2023 Corrective Action Plan (CAP) which included a January 1, 2025, implementation date. However, DMHAS was unable to comply timely with the FFATA reporting requirements due to competing reporting requirements, in conjunction with the volume of data and effort required.</p> <p>In addition to the significant progress DMHAS reported in the FY 2023 CAP update provided below, DMHAS accomplished the following:</p> <p>On October 21, 2024, DMHAS on boarded a full-time FFATA Analyst dedicated to FFATA data collection and uploads. On October 23 and October 29, 2024, DMHAS conducted training for the FFATA analyst.</p> <p>On or about January 29, 2025, and February 3, 2025, in an effort to demonstrate its proficiency and show its good faith efforts to comply, DMHAS uploaded all SUPTRS SFY23 and SFY24 Test Contracts (FAIN ending 5822) for the SSA SFY 2024.</p> <p>On or about February 3, 2025, and February 19, 2025, in an effort to demonstrate its proficiency and show its good faith efforts to comply, DMHAS uploaded all SOR SFY23 and SFY24 (FAIN ending 5743) Test Contracts for the SSA SFY24.</p> <p>Thereafter, DMHAS completed the following uploads:</p> <ul style="list-style-type: none"> • February 27, 2025 – SOR FAIN ending 5743 – remaining contracts (outside of the SSA24 Test group) up to the FSRS ceiling (which limits data entry to forty (40) pages and UEs). • March 4, 2025 – SUPTRS FAIN ending 7054 – all contracts uploaded. • March 6, 2025 – SOR FAIN ending 7774 – all contracts (into FSRS prior to migration) 	<p>John Fogliano, Deputy CFO (609) 438-4278 John.Fogliano@dhs.nj.gov</p> <p>Completion Date - January 1, 2025</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of January 1, 2025.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<ul style="list-style-type: none"> • March 6, 2025 – SUPTRS FAIN ending 5822 - remaining contracts (outside of the SSA24 Test group) up to the FSRS ceiling (which limits data entry to forty (40) pages and UEIs. <p>On January 22, 2025, the DMHAS Compliance Quality Assurance Specialist who helps monitor FFATA compliance completed the federal SAM.gov training. On March 5, 2025, the DMHAS FFATA Analyst completed the federal SAM.gov training.</p> <p>DMHAS remains committed to FFATA compliance, is prioritizing FFATA reporting, and is making a good faith effort to comply. However, DMHAS notes various federal issues outside of the State’s control that are causing delays and increasing administrative burden. More specifically, uploads that predated the conversion from FSRS to Sam.gov were limited by a system error so DMHAS was precluded from entering all contracts/UEIs. In addition, FAINs are missing from SAM.gov, thus precluding the submission of the corresponding uploads. DMHAS is documenting the upload limitations and missing FAINs, along with its continued efforts to overcome the various obstacles outside of its control.</p> <p>FY 2023 CAP Update: The Department of Mental Health and Addiction Services (DMHAS) has created a formal policy with procedures to ensure compliance with FFATA reporting requirements. We are currently conducting interviews for the new hire. Although we have extended offers to two qualified applicants, they have not accepted. We are continuing the interview process and aim to hire an FFATA Analyst by the deadline of December 31, 2024. On July 24 and 25, 2024, the Compliance Unit conducted FFATA training for existing Fiscal staff, and additional training will be conducted when new staff is hired.</p> <p>FY 2023 CAP: The Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) agrees that for fiscal year 2023 there were no Federal Funding Accountability & Transparency Act (FFATA) reporting procedures in place. It is important to note, however, that DMHAS provided adequate support for subrecipient payments to each of the selected samples and corresponding dollar amounts. DMHAS was unable to comply with the FFATA reporting requirements due to insufficient staffing levels, the significant volume of data and effort required, and the significant demands and operational challenges precipitated by the Covid-19 Public Health Emergency.</p> <p>DMHAS will develop a formal policy with procedures to comply with FFATA reporting requirements. More specifically, the policy will identify all FFATA reporting requirements consistent with the law, and dictate standard operating procedures, including ongoing monitoring and progress reporting. DMHAS’s policy and practices will rely upon, and comport with, the applicable materials and Awardee User resources available at: https://www.fsrs.gov/ and https://www.fsrs.gov/documents/FSRS_Awardee_User_Guide.pdf. DMHAS procedures will ensure the reporting of all first-tier subawards of \$30,000 or more to the FSRS with all required FFATA data elements included.</p> <p>DMHAS will hire at least one (1) additional staff for the requisite data entry. The new staff member will be situated in the DMHAS Fiscal Unit, and will report directly to, and be under the supervision of the Fiscal Unit Budget Manager. One hundred percent of the new hire’s effort will be dedicated to FFATA reporting and data entry. DMHAS began the new hire process on or about March 22, 2024, and anticipates that the new hire will be on board in approximately ninety (90) days. In addition, the</p>	
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>DMHAS Fiscal Unit Contract Manager (or the Contract Manager’s designated staff) will work with the Budget Manager and the FFATA new hire to assist with the collection and verification of the requisite Subrecipient data that must be entered into the FSRS portal.</p> <p>DMHAS will require all staff with FFATA reporting duties to complete the available online training. Furthermore, designated staff will be required to complete a FFATA Access Request Form that will be reviewed and approved by the DMHAS Chief Financial Officer. Designated staff shall also be subject to fixed Eligibility Criteria (e.g. completion of all IT Security Trainings, FFATA training(s), current DHS Confidentiality and Non-Disclosure Agreement, etc.). Access will be revoked if a Disqualifying Event such as separation of employment or failure to complete training occurs.</p> <p>DMHAS conferred recently with DHS, the designated grant recipient, and secured from DHS the requisite FSRS login credentials. DMHAS Fiscal logged into the reporting system and began work on a process description.</p> <p>DMHAS is committed to FFATA compliance, is prioritizing FFATA policy, procedures and reporting, and is making a good faith effort to comply. DMHAS will ensure that the requisite sub-award data is entered timely (no later than the end of the month following the month of issuance) into the FSRS portal, beginning January 1, 2025. In the event DMHAS cannot complete timely data entry into FSRS because of system issues outside of its control (e.g. the underlying federal award does not appear in FSRS), DMHAS will keep a record of the requisite data and document its efforts.</p>	
<p>Opioid STR (93.788) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services</p> <p>Subrecipient Monitoring</p>		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-014 2023-025</p>	<p>FY 2024 CAP: DMHAS acknowledges that the FAIN was omitted in a single notice of subrecipient award that predates the implementation date of its FY 2023 Corrective Action Plan (CAP). The award at issue relates to a “special County” add-on contract (one of a total of nineteen) that is tracked manually and in the DMHAS Contract Information Management System (CIMS), on which it currently relies to relay the data components required by 2 CFR 200.332. The single omission of the FAIN was due to a clerical error, whereby CIMS was not updated consistently with the manual record of the 2024 County contract renewal.</p> <p>DMHAS acknowledged in its FY 2023 CAP that CIMS was being replaced with SAGE in order to automate subrecipient notices, reduce administrative burden, and decrease clerical errors that result from manual data entry. DMHAS notes that the original 2025 SAGE go-live date has been delayed and moved to Summer 2026. Therefore, DMHAS made improvements to CIMS (which is available to Providers). In addition to identifying the federal funding source in the program column and in the notes, CIMS now includes a federal drop-down box that links the federal NOAs to the subrecipient agreement.</p> <p>DMHAS is compliant with its FY 2023 CAP, which included a July 1, 2024, implementation date. Beginning July 1, 2024, DMHAS started using a new Subaward template that includes the requisite data elements. DMHAS created a contract policy update and completed template trainings in-person and remotely. The DMHAS Compliance Unit audited the use of the new template to ensure that Subawards include the requisite data elements.</p>	<p>John Fogliano, Deputy CFO (609) 438-4278 John.Fogliano@dhs.nj.gov</p> <p>Completion Date: July 1, 2024.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of July 1, 2024.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>FY 2023 CAP Update: DMHAS has developed a template for final Notices of sub-recipient Awards per 2 CFR 200.332 for Subrecipient Monitoring. Staff began using the new template on July 1, 2024. DMHAS anticipates starting to use SAGE in 2025. Various employees have been trained in its use. We expect this project to be completed in 12 to 18 months. The contract unit works collaboratively with program staff to complete the notices.</p> <p>FY 2023 CAP: The Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) agrees that for fiscal year 2023 it did not provide at the time of subaward one (1) of the fourteen (14) elements required by the federal Uniform Guidance (UG) pass-through entity requirements. More specifically, DMHAS did not communicate to subrecipients at the time of subaward the date on which DMHAS received its Notice of Award from the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment (SMAHSA). This single piece of information was omitted in each of the ten (10) samples tested. It is important to note, however, that DMHAS could certify that it did not communicate to any pool of applicants or subrecipients that funding was available until such time as DMHAS received its federal award.</p> <p>The failure to include the federal date of award was the result of clerical/ministerial error, and DMHAS’s inability to evidence the federal award date in its software system, known as the Contract Information Management System (CIMS). CIMS is accessible to subrecipients and DMHAS relies on it to document and track subawards. DMHAS satisfied every remaining subaward information element of the UG pass-through entity requirements with the exception of subsection (ii) – the subrecipient’s Unique Entity Identifier (UEI), for two (2) of the ten (10) samples tested. More specifically, DMHAS did not reference two (2) subrecipients UEI numbers at the time of each subrecipient’s subaward. It is important to note that DMHAS has the UEIs available to it, but it could not establish that it referenced two (2) of the UEIs at the time of award. The failure to include the UEI for each of the two (2) subrecipients was the result of clerical/ministerial error, and DMHAS’s inability to enter the data for the particular subrecipients into CIMS. Each of the two (2) samples related to a “specialty contract” that cannot be captured in CIMS.</p> <p>DMHAS has already undertaken efforts to update its software system and replace CIMS with SAGE AGATE. Although federal regulation does not require that every data element referenced in 2 CFR 200.332(a)(1) be available in a single document, as part of its ongoing systems improvement plans, the DMHAS is completing the procurement of a new contract information management system, SAGE AGATE, so that all federal award and contract information is available in a single report through a single software application. DMHAS has prepared a purchase order for SAGE AGATE, the State funds have been appropriated and the DMHAS is in the process of scheduling a kick off meeting, along with 3-day training sessions. The DMHAS SAGE AGATE Scope of Work includes IntelliGrants software, as well as limited customization of the IntelliGrants software to satisfy any needs particular to DMHAS. DMHAS will ensure that the final software package provides DMHAS with the means to document and communicate to subrecipients at the time of subaward each of the requisite elements of 2 CFR 200.332(a)(1), including the Federal Date of Award and the UEI. In the interim, DMHAS has drafted an updated Notice of Subrecipient Award Template, which Template includes every component required by 2 CFR 200.332(a)(1). Upon DMHAS executive review and approval of the Template, Contract staff in the DMHAS Fiscal Unit will utilize the Template for each Notice of Subrecipient Award. DMHAS anticipates that the Template will be superseded by a Notice maintained within, and/or generated by, SAGE AGATE.</p>	
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>Prior to the date of this CAP, DMHAS Program/Initiative Managers throughout the various DMHAS treatment service and support units were responsible for preparing and executing Notices of Subrecipient Award. As a result of the Significant Deficiency identified in this 2023 Audit, and in order to correct and mitigate against clerical/ministerial errors, DMHAS is transferring responsibility for the preparation and execution of Notices of Subrecipient Award from Program/Initiative Managers, to the DMHAS Fiscal Unit, Contract Manager (and the Contract Manager’s Contract Administration staff). Such staff will have total SAGE AGATE system access, and be best suited to ensure that Notices of Subrecipient Award comply with 2 CFR 200.332.</p> <p>Finally, as a preventive action, the DMHAS Compliance Unit will audit the issuance of post-contract negotiation Notices of Award in three (3) months, and again in six (6) months. The internal audit will sample no less than ten (10) newly awarded/renewed deficit-funded contracts for substance use disorder services, and will measure compliance with every element identified in 2 CFR 200.332.</p>	
<p>Block Grants for Prevention and Treatment of Substance Abuse (93.959) COVID-19 –Block Grants for Prevention and Treatment of Substance Abuse (93.959) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services</p>		
<p>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</p>		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-015 2023-026</p>	<p>FY 2024 CAP: The Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) agrees that for fiscal year 2024 it did not complete Federal Funding Accountability & Transparency Act (FFATA) uploads timely. DMHAS maintains written FFATA policies and procedures, and it is compliant with its SSA SFY 2023 Corrective Action Plan (CAP) which included a January 1, 2025 implementation date. However, DMHAS was unable to comply timely with the FFATA reporting requirements due to competing reporting requirements, in conjunction with the volume of data and effort required. In addition to the significant progress DMHAS reported in the FY 2023 CAP update provided below, DMHAS accomplished the following: On October 21, 2024, DMHAS on boarded a full-time FFATA Analyst dedicated to FFATA data collection and uploads. On October 23 and October 29, 2024, DMHAS conducted training for the FFATA analyst. On or about January 29, 2025 and February 3, 2025, in an effort to demonstrate its proficiency and show its good faith efforts to comply, DMHAS uploaded all SUPTRS SFY23 and SFY24 Test Contracts (FAIN ending 5822) for the SSA SFY 2024. On or about February 3, 2025 and February 19, 2025, in an effort to demonstrate its proficiency and show its good faith efforts to comply, DMHAS uploaded all SOR SFY23 and SFY24 (FAIN ending 5743) Test Contracts for the SSA SFY24. Thereafter, DMHAS completed the following uploads: • February 27, 2025 – SOR FAIN ending 5743 – remaining contracts (outside of the SSA24 Test group) up to the FSRS ceiling (which limits data entry to forty (40) pages and UEIs. • March 4, 2025 – SUPTRS FAIN ending 7054 – all contracts uploaded. • March 6, 2025 – SOR FAIN ending 7774 – all contracts (into FSRS prior to migration)</p>	<p>John Fogliano, Deputy CFO (609) 438-4278 John.Fogliano@dhs.nj.gov</p> <p>Completion Date: January 1, 2025.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of January 1, 2025.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<p>• March 6, 2025 – SUPTRS FAIN ending 5822 - remaining contracts (outside of the SSA24 Test group) up to the FSRS ceiling (which limits data entry to forty (40) pages and UEIs. On January 22, 2025, the DMHAS Compliance Quality Assurance Specialist who helps monitor FFATA compliance completed the federal SAM.gov training. On March 5, 2025, the DMHAS FFATA Analyst completed the federal SAM.gov training. DMHAS remains committed to FFATA compliance, is prioritizing FFATA reporting, and is making a good faith effort to comply. However, DMHAS notes various federal issues outside of the State’s control that are causing delays and increasing administrative burden. More specifically, uploads that predated the conversion from FSRS to Sam.gov were limited by a system error so DMHAS was precluded from entering all contracts/UEIs. In addition, FAINs are missing from SAM.gov, thus precluding the submission of the corresponding uploads. DMHAS is documenting the upload limitations and missing FAINs, along with its continued efforts to overcome the various obstacles outside of its control.</p> <p>FY 2023 CAP Update: The Department of Mental Health and Addiction Services (DMHAS) has created a formal policy with procedures to meet the reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA). On July 24 and 25, 2024, the Compliance Unit conducted FFATA training for current Fiscal staff, with plans for additional training upon the hiring of new staff. On July 24 and 25, 2024, the Compliance Unit conducted FFATA training for existing Fiscal staff, and additional training will be conducted when new staff is hire.</p> <p>FY 2023 CAP: The Department of Human Services, Division of Mental Health and Addiction Services (DMHAS) agrees that for fiscal year 2023 there were no Federal Funding Accountability & Transparency Act (FFATA) reporting procedures in place. It is important to note however, that DMHAS provided adequate support for subrecipient payments to each of the selected samples and corresponding dollar amounts. DMHAS was unable to comply with the FFATA reporting requirements due to insufficient staffing levels, the significant volume of data and effort required, and the significant demands and operational challenges precipitated by the Covid-19 Public Health Emergency.</p> <p>DMHAS will develop a formal policy with procedures to comply with FFATA reporting requirements. More specifically, the policy will identify all FFATA reporting requirements consistent with the law, and dictate standard operating procedures, including ongoing monitoring and progress reporting. DMHAS’s policy and practices will rely upon, and comport with, the applicable materials and Awardee User resources available at: https://www.fsr.gov/ and https://www.fsr.gov/documents/FSRS_Awardee_User_Guide.pdf. DMHAS procedures will ensure the reporting of all first-tier subawards of \$30,000 or more to the FSRS with all required FFATA data elements included.</p> <p>DMHAS will hire at least one (1) additional staff for the requisite data entry. The new staff member will be situated in the DMHAS Fiscal Unit, and will report directly to, and be under the supervision of the Fiscal Unit Budget Manager. One hundred percent of the new hire’s effort will be dedicated to FFATA reporting and data entry. DMHAS began the new hire process on or about March 22, 2024, and anticipates that the new hire will be on boarded in approximately ninety (90) days. In addition,</p>	
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>the DMHAS Fiscal Unit Contract Manager (or the Contract Manager’s designated staff) will work with the Budget Manager and the FFATA new hire to assist with the collection and verification of the requisite Subrecipient data that must be entered into the FSRS portal.</p> <p>DMHAS will require all staff with FFATA reporting duties to complete the available online trainings. Furthermore, designated staff will be required to complete a FFATA Access Request Form that will be reviewed and approved by the DMHAS Chief Financial Officer. Designated staff shall also be subject to fixed Eligibility Criteria (e.g. completion of all IT Security Trainings, FFATA training(s), current DHS Confidentiality and Non-Disclosure Agreement, etc.). Access will be revoked if a Disqualifying Event such as separation of employment or failure to complete training occurs.</p> <p>DMHAS conferred recently with DHS, the designated grant recipient, and secured from DHS the requisite FSRS login credentials. DMHAS Fiscal logged into the reporting system and began work on a process description.</p> <p>DMHAS is committed to FFATA compliance, is prioritizing FFATA policy, procedures and reporting, and is making a good faith effort to comply. DMHAS will ensure that the requisite sub-award data is entered timely (no later than the end of the month following the month of issuance) into the FSRS portal, beginning January 1, 2025. In the event DMHAS cannot complete timely data entry into FSRS because of system issues outside of its control (e.g. the underlying federal award does not appear in FSRS), DMHAS will keep a record of the requisite data and document its efforts.</p>	
<p>Disaster Grants –Public Assistance (Presidentially Declared Disasters) (97.036) COVID-19 Disaster Grants –Public Assistance (Presidentially Declared Disasters) (97.036) State Agency: Department of Law and Public Safety Federal Agency: U.S. Department of Homeland Security</p> <p>Reporting - Federal Funding Accountability and Transparency Act (FFATA)</p>		
FINDING #1	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2024-016 2023-028</p>	<p>FY 2024 CAP: The Department has completed its corrective action plan from the prior audit. DLPS has been in full compliance with the FFATA reporting requirement since August 2024.</p> <p>FY 2023 CAP Update: DLPS has been working with both FEMA and FSRS to resolve technical issues in FFATA entry. We will continue to work to resolve these issues until DLPS is in compliance with FFATA reporting requirements.</p> <p>FY 2023 CAP: Unlike other subgrants managed by the Department of Law and Public Safety (DLPS), the subgrants in the Public Assistance program are not issued by the Department but instead are issued by the Federal Emergency Management Agency (FEMA). These FEMA-issued subgrants take the form of Project Worksheets (PWs) and are directly related to a specific disaster. FEMA informs the DLPS of the approved PWs after they are issued.</p> <p>Given the unique nature of the PW issuance, the DLPS is not in a position to report on the FFATA Subaward Reporting System (FSRS) at the time PWs are issued. This contrasts with other grant</p>	<p>Salvatore Marcello (609) 882-2000 ext.3046 Salvatore.Marcello@njsp.gov</p> <p>Completion Date: Fiscal Year 2024 and Ongoing</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of June 30, 2024.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>programs overseen by the DLPS, which do allow for timely subaward reporting in FSRS. The Department will continue to work with our FEMA partners, incorporating any guidance they provide, to develop procedures that ensure subawards are reported in FSRS within the FFATA reporting requirements.</p>	
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Open Audit Findings from Year Ended June 30, 2023 Single Audit

Unemployment Insurance (17.225)
COVID-19 Unemployment Insurance (17.225)
State Agency: Department of Labor and Workforce Development
Federal Agency: U.S. Department of Labor

Special Tests and Provisions –UI Benefit Payments

FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2023-003 No finding in prior year</p>	<p>FY 2024 CAP Update: The procedures to ensure that the BAM quality controls are in place and are being adhered to have been slightly delayed since the BAM supervisor retired in May 2024 and the position has been vacant. The posting to fill this vacancy has closed and interviews to fill this position will be scheduled for late September/October 2024 to appoint a new supervisor. Once this vacancy is filled, the first responsibility for the new supervisor will be to ensure these controls remain in place and are enforced.</p> <p>NJDOL will review and enhance controls within the BAM program with the new BAM supervisor to establish an action plan that will ensure all investigations are completed timely, reviews are timely made and approved, and all case review supporting documentation is maintained in case files. Although these steps are all part of the BAM process, they will be reviewed with the BAM staff to make certain their compliance.</p> <p>FY 2023 CAP: The Department of Labor and Workforce Development (DLWD) will continue to review and enhance controls to ensure that BAM quality control case investigations are completed timely, that reviews are signed as required by appropriate staff, and that all required case review supporting documentation is maintained in case files. DLWD corrective actions will be completed by September 30, 2024.</p>	<p>Ronald Marino - DLWD (609) 292-2810 Ronald.Marino@dol.nj.gov</p> <p>Theresa Vallely (609) 984-1779 Theresa.Vallely@dol.nj.gov</p> <p>Revised Completion Date: January 31, 2025</p> <p>There is no change to the current plan, as corrective actions were fully implemented as of January 31, 2025.</p>

Unemployment Insurance (17.225)
COVID-19 Unemployment Insurance (17.225)
State Agency: Department of Labor and Workforce Development
Federal Agency: U.S. Department of Labor

Information Technology General Controls

FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2023-005 2022-006 2021-012 2020-001</p>	<p>FY 2024 CAP Update: The Department of Labor and Workforce Development’s (DLWD) Office of Information Management, Services & Solutions (OIMSS) continues its efforts to ensure staff compliance with existing controls over program change controls for the New Jersey Local Office Online Payment System (NJLOOPS). DLWD’s efforts continue to be guided by statewide change management best practices. Application change management requests and approvals are now authorized by the Change</p>	<p>Peter Skibar (609) 777-1844 Peter.Skibar@dol.nj.gov</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<p>Management Board (CMB). Which includes the CIO, Director, and Assistant Director, and weekly meetings. Except in circumstances involving emergency off-hours break fix resolution, separation of duties will be included as a check-off for approval to deploy program changes. The Administrative Directive is currently in draft form and is expected to be finalized by January 31, 2025.</p> <p>FY 2023 CAP: The Department of Labor and Workforce Development’s (DLWD) Office of Information Management, Services & Solutions (OIMSS) will continue its efforts to ensure staff compliance with existing controls over program change controls for the New Jersey Local Office Online Payment System (NJLOOPS). DLWD’s efforts will continue to be guided by statewide change management best practices. OIMSS will add a director-level approval step to the program promotion process that will validate that the required documentation has been uploaded to the change ticket. Except in circumstances involving emergency off-hours break fix resolution, separation of duties will be included as a check-off for approval to deploy program changes.</p> <p>FY 2022 CAP: The DLWD Office of Information Management Services & Solutions (OIMSS) will continue its efforts to strengthen and improve staff compliance with existing controls over program change controls for the New Jersey Local Office Online Payment System (NJLOOPS). OIMSS management will conduct a meeting with all staff involved in program changes to reiterate that existing control requirements must be always adhered to. DLWD expects to achieve full compliance with exiting controls by June 30, 2023.</p> <p>FY 2021 CAP Update: No change to current plan as corrective actions have been fully implemented as of June 2022.</p> <p>FY 2021 CAP: The Division of Information Technology (DIT) utilizes the Footprints system to document all change control requests made by program areas within the New Jersey Department of Labor. This system will be utilized to ensure that all system changes are documented including changes requested, programmatic work performed, testing, and approval of the effort for promotion to the Production environment. The Footprints system will document all actions taken, the signoffs by the application development staff, the testing efforts by quality assurance testing staff, and the sign off and approval to move the changes to the Production environment. In addition, the team will improve the documentation by using the attachment features within Footprints for the inclusion of relevant documents, notes emails, etc. associated with change control requests. This will ensure that all documentation is maintained around the testing and approval of system changes</p> <p>The DLWD Change Management Policy and Procedure underwent its annual review during the summer of 2022 to ensure it was in compliance with the requirement and recommendations of the Statewide Information Security Manual (SISM). Weekly Service Request review and Change Management meetings are also held by DIT.</p> <p>FY 2020 CAP Update: This finding has been repeated in FY 2021 as corrective actions were only partially completed during the audit period. There were very minor changes made to enhance the prior year corrective action plan and the DLWD has indicated that corrective actions contained in the current FY 2021 plan are now fully implemented and operational for FY 2022</p>	<p>Matthew Curtis (609) 376-4021 Matthew.Curtis@dol.nj.gov</p> <p>Revised Completion Date: January 31, 2025</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of January 31, 2025.</p>
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>FY 2020 CAP: The Division of Information Technology (DIT) utilizes the FootPrints system to document all change control requests made by program areas within the New Jersey Department of Labor and Workforce Development (DLWD). This system will be utilized to ensure that all system changes are documented including changes requested, programmatic work performed, testing, and approval of the effort for promotion to the Production environment. The FootPrints system will document all actions taken, the signoffs by the application development staff, the testing efforts by quality assurance testing staff, and the sign off and approval to move the changes to the Production environment. In addition, the team will improve the documentation by including Change Control and Service Request numbers in the Subject line of emails associated with change control requests. This will be fully operational in FY 2022 and all new change requests in the current FY 2021 will also be documented in this manner.</p> <p>With regard to segregation of duties, there are two individuals within the DIT that have the ability to promote code to the Production environment. Procedures will be enforced that will not allow a developer to promote their own code to Production and this has been implemented as of April 26, 2021.</p> <p>The DLWD Change Management Policy and Procedure underwent its annual review during the summer of 2022 to ensure it was in compliance with the requirement and recommendations of the Statewide Information Security Manual (SISM). Weekly Service Request review and Change Management meetings are also held by DIT.</p>	
<p>Supporting Effective Instruction State Grants (84.367) State Agency: Department of Education Federal Agency: U.S. Department of Education</p> <p>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</p>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2023-009 No finding in prior year</p>	<p>FY 2024 CAP Update: There is no change to current plan. The New Jersey Department of Education (NJDOE) DOE continues to experience the same system issues at SAM.gov and the FSRS reporting sites.</p> <p>FY 2023 CAP: The New Jersey Department of Education (NJDOE) Office of Grants Management (OGM) understands the need to be compliant with FFATA reporting in accordance with the Uniform Guidance. Internal controls and processes are in place to ensure NJDOE’s FFATA reporting process is working efficiently and in time. This noncompliance finding is not due to a lack of controls within NJDOE but lies squarely on system issues at SAM.gov and the FFATA Subaward Reporting System (FSRS) sites and until the issues listed below are corrected on these federal system sites, NJDOE will continue to be noncompliant with timely FFATA reporting.</p> <p>Issues with the SAM.gov and FSRS sites:</p> <ul style="list-style-type: none"> SAM.gov has approved NJDOE’s local education agency (LEA) registrations without a ZIP+4, but FSRS reporting system for FFATA uploads requires ZIP+4 for each LEA. The two systems use the same database, which means information registered on SAM.gov feeds directly into the FSRS system. However, because FSRS batch uploads require a ZIP+4, those LEAs that were approved by SAM.gov without a ZIP+4 during the registration process, are rejected from the FFATA report batch upload. There is an option to manually load each LEA and their details 	<p>Martin Egan, Director NJDOE Office of Grants (609) 376-9089 Martin.Egan@doe.nj.gov</p> <p>Completion Date: Indeterminate, based on the federal implementation of fixes to SAM.gov and the FSRS portal, as noted in the views.</p> <p>There is no change to the current plan, as the New Jersey Department of Education (NJDOE) continues to experience complications with reporting batch uploads using the REST API within SAM.gov. The NJDOE’s Office of Grants Management is working with the NJDOE’s Office of Information Technology (OIT) to determine the necessary programming to sync with the REST API. Completion is contingent upon the federal implementation of fixes to the SAM.gov system for batch uploads and assistance from the NJDOE’s OIT.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>into the system, but the process becomes incredibly time consuming, given the 700+ LEAs in the state, the number of federal awards granted, and the steps for identifying & removing rejected LEAs from the batch upload.</p> <ul style="list-style-type: none"> • Issues NJDOE has with SAM.gov and FSRS have been shared with the federal helpdesk and a USED representative without avail, as the systematic issue remains unresolved and continues to delay our FFATA reporting process. • There are several rural LEAs in the state that do not have a ZIP+4. These LEAs will continue to be rejected from the batch upload, delaying our FFATA reporting process, if SAM.gov and FSRS do not come up with a viable solution. • There were several LEAs that were continuously rejected from the upload by FSRS for no obvious reasons. The error message received was the same exact error we received for incorrect zip codes. After spending much time investigating the cause with the helpdesk support, it was identified that FSRS did not update their system to reflect the Congressional District code changes during New Jersey’s redistricting process. • The FSRS system rejects batch uploads if a single lower-case SAM UEIs is entered in the batch file. However, SAM.gov search box and the FSRS manual uploads are not case sensitive. Batch uploads are the only place where SAM UEIs are case sensitive. Further, this information is not included in any of the FSRS User Guides or manuals. I have shared this with the FSRS helpdesk, but no solution was provided. Again, this discrepancy in their system affects and delays our FFATA reporting processes. <p>NJDOE dedicated personnel, including the director of OGM, continuously work with SAM.gov, FSRS system, and both system sites’ help desks, to bring to light the issues mentioned above to express the urgent need for corrective actions at the federal system sites to allow for timely FFATA reporting. In addition, internal controls and procedures are in place at NJDOE related to FFATA reporting and corrective actions are constantly performed in real time to perform the below NJDOE Internal Controls and Procedures. Some of these procedures include reviewing internal SAM applications and troubleshooting with NJDOE’s local education agencies (LEAs) to correct data in the application and resubmit to the federal reporting system sites with more detail included below.</p> <p>NJDOE Internal Controls and Procedures:</p> <ul style="list-style-type: none"> • Due to the large number of LEAs in the state (700+), each FFATA report must be submitted via batch upload, which saves an enormous amount of time it takes to input data manually for every single LEA, for every grant. To address this need and to expedite the process, our vendor has created a reporting tool that generates a FFATA batch report. • We have been contacting the federal helpdesk to address the issues on their sites and asking for support. Some of those tickets were closed without providing any support and most were not helpful. • We have created and implemented an in-house System for Award Management (SAM) application, mandatory for all of our federal grant recipients. This was done specifically for FFATA reporting purposes to ensure data in these applications are directly tied to the FFATA batch reports. 	
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<ul style="list-style-type: none"> • The SAM applications go through a thorough review process, where data entered by the districts is compared with the data registered with SAM.gov (applicants are required to upload a copy of their Entity Overview Record, issued by SAM.gov). • SAM applications are returned for changes whenever an applicant has entered data that is inconsistent with data on SAM.gov (i.e. Incorrect SAM UEI, incorrect zip code, incorrect zip+4, incorrect City name). • We have asked many of our districts to contact SAM.gov and update their physical address information to include the full 9-digit zip code, which was SAM.gov reviewers' oversight. Our school districts have commented that this process can take months. • We communicate with our districts/applicants on a daily basis through the review summary checklist, outlining the changes that must be made, as well as by email and phone. • We have implemented an automatic messaging system, where applicants are reminded to update their SAM registration expiration date, multiple times a month leading up to their expiration date. <p>Due to the system discrepancy in the FSRS system's batch upload, we had to create a workaround pertaining to the district's SAM UEIs. As stated above, SAM UEIs, in batch FFATA reports, are case sensitive while not case sensitive anywhere else in the two system sites. We have updated our instructions in NJDOE's SAM application and have added another layer of application review, to ensure that all UEIs entered are in all capital letters. Because the federal helpdesk has ignored this discrepancy and did not resolve the issue, we are obligated to take additional steps and spend additional time on FFATA batch reports.</p>	
<p>Education Stabilization Fund (84.425) State Agency: Department of Education Federal Agency: U.S. Department of Education</p> <p><i>Reporting – Federal Funding Accountability and Transparency Act (FFATA)</i></p>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
<p>2023-010 No finding in prior year</p>	<p>FY 2024 CAP Update: There is no change to the current plan. The New Jersey Department of Education (NJDOE) continues to experience the same system issues at SAM.gov and the FSRS reporting sites.</p> <p>FY 2023 CAP: The New Jersey Department of Education (NJDOE) Office of Grants Management (OGM) understands the need to be compliant with FFATA reporting in accordance with the Uniform Guidance. Internal controls and processes are in place to ensure NJDOE's FFATA reporting process is working efficiently and in time. This noncompliance finding is not due to a lack of controls within NJDOE but lies squarely on system issues at SAM.gov and the FFATA Subaward Reporting System (FSRS) sites and until the issues listed below are corrected on these federal system sites, NJDOE will continue to be noncompliant with timely FFATA reporting.</p> <p>Issues with the SAM.gov and FSRS sites:</p>	<p>Martin Egan, Director NJDOE Office of Grants (609) 376-9089 Martin.Egan@doe.nj.gov</p> <p>Completion Date: Indeterminate; it is based on the federal implementation of fixes to SAM.gov and the FSRS portal, as noted in the views.</p> <p>There is no change to the current plan, as the New Jersey Department of Education (NJDOE) is experiencing complications with reporting batch uploads using the REST API within SAM.gov. The NJDOE's Office of Grants Management is working with the NJDOE's Office of Information Technology (OIT) to determine the necessary</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<ul style="list-style-type: none"> • SAM.gov has approved NJDOE’s local education agency (LEA) registrations without a ZIP+4, but FSRS reporting system for FFATA uploads requires ZIP+4 for each LEA. The two systems use the same database, which means information registered on SAM.gov feeds directly into the FSRS system. However, because FSRS batch uploads require a ZIP+4, those LEAs that were approved by SAM.gov without a ZIP+4 during the registration process, are rejected from the FFATA report batch upload. There is an option to manually load each LEA and their details into the system, but the process becomes incredibly time consuming, given the 700+ LEAs in the state, the number of federal awards granted, and the steps for identifying & removing rejected LEAs from the batch upload. • Issues NJDOE has with SAM.gov and FSRS have been shared with the federal helpdesk and a USED representative without avail, as the systematic issue remains unresolved and continues to delay our FFATA reporting process. • There are several rural LEAs in the state that do not have a ZIP+4. These LEAs will continue to be rejected from the batch upload, delaying our FFATA reporting process, if SAM.gov and FSRS do not come up with a viable solution. • There were several LEAs that were continuously rejected from the upload by FSRS for no obvious reasons. The error message received was the same exact error we received for incorrect zip codes. After spending much time investigating the cause with the helpdesk support, it was identified that FSRS did not update their system to reflect the Congressional District code changes during New Jersey’s redistricting process. • The FSRS system rejects batch uploads if a single lower-case SAM UEIs is entered in the batch file. However, SAM.gov search box and the FSRS manual uploads are not case sensitive. Batch uploads are the only place where SAM UEIs are case sensitive. Further, this information is not included in any of the FSRS User Guides or manuals. I have shared this with the FSRS helpdesk, but no solution was provided. Again, this discrepancy in their system affects and delays our FFATA reporting processes. <p>NJDOE dedicated personnel, including the director of OGM, continuously work with SAM.gov, FSRS system, and both system sites’ help desks, to bring to light the issues mentioned above in order to express the urgent need for corrective actions at the federal system sites to allow for timely FFATA reporting. In addition, internal controls and procedures are in place at NJDOE related to FFATA reporting and corrective actions are constantly performed in real time to perform the below NJDOE Internal Controls and Procedures. Some of these procedures include reviewing internal SAM applications and troubleshooting with NJDOE’s local education agencies (LEAs) to correct data in the application and resubmit to the federal reporting system sites with more detail included below.</p> <p>NJDOE Internal Controls and Procedures:</p> <ul style="list-style-type: none"> • Due to the large number of LEAs in the state (700+), each FFATA report must be submitted via batch upload, which saves an enormous amount of time it takes to input data manually for every single LEA, for every grant. To address this need and to expedite the process, our vendor has created a reporting tool that generates a FFATA batch report. 	<p>programming to sync with the REST API. Completion is contingent upon the federal implementation of fixes to the SAM.gov system for batch uploads and assistance from the NJDOE’s OIT.</p>
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¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<ul style="list-style-type: none"> • We have been contacting the federal helpdesk to address the issues on their sites and asking for support. Some of those tickets were closed without providing any support and most were not helpful. • We have created and implemented an in-house System for Award Management (SAM) application, mandatory for all of our federal grant recipients. This was done specifically for FFATA reporting purposes to ensure data in these applications are directly tied to the FFATA batch reports. • The SAM applications go through a thorough review process, where data entered by the districts is compared with the data registered with SAM.gov (applicants are required to upload a copy of their Entity Overview Record, issued by SAM.gov). • SAM applications are returned for changes whenever an applicant has entered data that is inconsistent with data on SAM.gov (i.e. Incorrect SAM UEI, incorrect zip code, incorrect zip+4, incorrect City name). • We have asked many of our districts to contact SAM.gov and update their physical address information to include the full 9-digit zip code, which was SAM.gov reviewers' oversight. Our school districts have commented that this process can take months. • We communicate with our districts/applicants daily through the review summary checklist, outlining the changes that must be made, as well as by email and phone. • We have implemented an automatic messaging system, where applicants are reminded to update their SAM registration expiration date, multiple times a month leading up to their expiration date. <p>Due to the system discrepancy in the FSRS system's batch upload, we had to create a workaround pertaining to the district's SAM UEIs. As stated above, SAM UEIs, in batch FFATA reports, are case sensitive while not case sensitive anywhere else in the two system sites. We have updated our instructions in NJDOE's SAM application and have added another layer of application review, to ensure that all UEIs entered are in all capital letters. Because the federal helpdesk has ignored this discrepancy and did not resolve the issue, we are obligated to take additional steps and spend additional time on FFATA batch reports.</p>	
<p>Aging Cluster (93.044, 93.045, 93.053) COVID-19 Aging Cluster (93.044, 93.045, 93.053) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services</p>		
<i>Subrecipient Monitoring</i>		
FINDING #¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2023-011 No finding in prior year	FY 2024 CAP Update: The Division is starting a new process to include subrecipient monitoring required information in SAGE- subaward notice will be posted as a miscellaneous attachment to contracts in the Division's SAGE system for January 2025 contract cycle. Renewal packages of January contracts are being completed with this added information.	Hetal Bhatt (609) 438-4586 Hetal.Bhatt2@dhs.nj.gov

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>FY 2023 CAP: The Division of Aging Services (DoAS) will comply with the pass-through entity and subrecipient monitoring requirements under the federal Uniform Guidance as per CFR § 200.332(a). The DoAS will provide all required information to the subrecipient at the time of award issuance. This subaward notice will be posted as a miscellaneous attachment to contracts in the Division's System for Administering Grants Electronically (SAGE), or via mail, fax or email to those subawards not administered in SAGE. DoAS plans to complete and update this information on SAGE within 60 days.</p>	<p>Mary Kurfuss (609) 438-4739 Mary.Kurfuss@dhs.nj.gov</p> <p>Revised Completion Date: January 2025.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of January 2025. The Division has started a new process to include subrecipient monitoring required information in the SAGE system. Subaward notice information is included in SAGE contracts effective from the January 2025 contract cycle. The Division is complying with the requirement.</p>
<p>Medicaid Cluster (93.775, 93.777, 93.778) COVID-19 Medicaid Cluster (93.775, 93.777, 93.778) State Agency: Department of Human Services Federal Agency: U.S. Department of Health and Human Services</p> <p><i>Reporting – CMS 64</i></p>		
<p>FINDING #¹</p>	<p style="text-align: center;">ORIGINAL CORRECTIVE ACTION PLAN</p>	<p style="text-align: center;">UPDATED PLAN & COMPLETION DATE</p>
<p>2023-023 No finding in prior year</p>	<p>FY 2024 CAP Update: The latest CMS-64 report for the QE 6/30/2024 was submitted on time. The State will make every effort to submit future reports on time but will not jeopardize the accuracy and integrity of the report to meet the due date. It should be noted that approximately 40% of the States do not submit their CMS-64 reports on time.</p> <p>FY 2023 CAP: Regarding the late quarterly CMS 64 report submission noted in the audit finding, the Department of Human Services, Division of Medical Assistance and Health Services (DMAHS) notified the Center for Medicaid Services (CMS) in advance that the report for December 31, 2022 quarter would be filed after the due date. DMAHS is working to streamline reporting of the CMS-64 by improving automation where it is possible to adhere to the due date. However, as in the case of the report for quarter ending December 31, 2022, the DMAHS places strong emphasis on the accuracy and integrity of its quarterly CMS-64 reporting, which may at times lead to submission after the required due date. In the event this occurs, DMAHS will continue to notify CMS in advance when reports are submitted after the due date.</p>	<p>Robert Durborow (609) 588-2858 Robert.Durborow@dhs.nj.gov</p> <p>Completion Date: Fiscal Year 2024 and Ongoing</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of June 30, 2024</p>
<p>Open Audit Findings from Year Ended June 30, 2022 Single Audit</p>		
<p>Child Nutrition Cluster (10.553, 10.555, 10.556, 10.559, 10.579) State Agency: Department of Agriculture Federal Agency: U.S. Department of Agriculture</p> <p>Reporting – Federal Financial Accountability and Transparency Act (FFATA)</p>		
<p>2022-002</p>	<p>FY 2024 CAP Update: There is no change to the current plan, as corrective actions are still in the process of being implemented.</p>	<p>Melissa Pajak (609) 690-8880 Melissa.Pajak@ag.nj.gov</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>FY 2023 CAP Update: Monthly FFATA reporting has resumed as of December 2022. The Department of Agriculture (DOA) believed we were in full compliance with the required FFATA reporting; however, it was recently brought to our attention by IT staff that Local Level-PEBT and Supply Chain payments, which are processed through a manual process, are not being captured like the disbursements made through our in-house systems. The DOA is currently working with internal IT staff on how to capture this data to include it in reports uploaded to FSRS. Completion Date: December 2022.</p> <p>FY 2022 CAP: The Department of Agriculture, Division of Food and Nutrition (DOA) was delinquent in submitting required reporting in the FFFATA Subaward Reporting System (FSRS) due to the inability to make system updates for the UEI change during the pandemic. This prevented the DOA from pulling data to submit the reports to the FSRS. The DOA has two technical staff members assigned to query the data fields required to upload the report. Once the query is complete, the data is converted to a CSV file and uploaded to FSRS. As of December 2022, monthly reporting has resumed. Successful monthly upload documentation will now be provided and monitored by the Assistant Division Director and Fiscal Coordinator.</p>	<p>Revised Completion Date: June 30, 2026</p> <p>There is no change to the current plan, as corrective actions are still in the process of being implemented. SAM.gov does not accept bulk uploads of data, and the State Agency has been unable to establish the required API connection for reporting purposes. Despite repeated efforts to seek guidance from GSA and FSD, assistance has not yet been received.</p>
<p>COVID-19 Homeowner Assistance Fund (21.026) State Agency: Department of Community Affairs Federal Agency: U.S. Department of the Treasury</p> <p><i>Subrecipient Monitoring</i></p>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2022-010	<p>FY 2024 CAP Update: There is no change to the current plan beyond the completion date being revised to Fiscal Year 2024.</p> <p>FY 2023 CAP Update: There is no change to the current plan beyond the completion date being revised to Fiscal Year 2024. Due to slow-moving and immaterial HAF program disbursement activity to date, the hiring of an Integrity Monitor (IM) has been delayed slightly. DCA presently anticipates that the IM will be hired and commence procedures prior to December 31, 2023.</p> <p>FY 2022 CAP: As recommended, the DCA will review current procedures to ensure that all subaward information required by the federal Uniform Guidance is included in all subaward contracts and grant agreements. The DCA has also reviewed its current subrecipient monitoring procedures for standard subawards made by the agency and has determined that no internal control enhancements are required. The HAF award was a unique grant relationship for DCA in that the entire award was passed through to another New Jersey State government agency that is a direct affiliate of the Department. Monitoring procedures were determined based on the close working relationship with our affiliate organization and the fact that less than 1 percent of the grant award was expended through June 30, 2022. Current procedures included a risk assessment of the subrecipient and performance of the single audit desk review of the independent audit report. In addition, the Director of Audit, and the Executive Director of the subgrantee affiliate participate in weekly meetings where updates on the program status can be determined. DCA's subrecipient monitoring plan also includes the hiring of an Integrity Monitor to oversee and monitor the use of the HAF funds as well as compliance with all HAF program reporting</p>	<p>John Alexy (609) 913.4385 John.Alexy@dca.nj.gov</p> <p>Revised Completion Date: March 31, 2025.</p> <p>There is no change to the current plan, as corrective actions have been fully implemented as of March 31, 2025.</p>

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	requirements. As program disbursement activity is continuing to increase with the HAF program(s) created more fully up and running, DCA is currently targeting the Integrity Monitor hire to take place sometime within the next three to six months.	
Open Audit Findings from Year Ended June 30, 2021 Single Audit		
Highway Planning and Construction Cluster (20.205, 20.219)		
State Agency: Department of Transportation		
Federal Agency: U.S. Department of Transportation		
<i>Special Tests and Provisions - Utilities</i>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2021-014 No finding in prior year	<p>FY 2024 CAP Update: There is no change to current plan, as corrective actions have been partially implemented as of September 2024. Steps taken to date by DOT include:</p> <ul style="list-style-type: none"> • The language for the rule and the policy regarding Broadband has been approved by FHWA on March 27, 2024. • A unit was created under the Utility Broadband Coordinator. • NJDOT has established a Broadband Utility Website on May 7, 2024. • A Corrective Action Notice was approved on May 10, 2024, to allow NJDOT designers to instruct Broadband companies to register as a Broadband Entity with the NJDOT Broadband Utility Coordinator. • NJDOT has established a Broadband Policy and Procedure with an effective date of July 10, 2024. • The Utility Accommodation (UA) Administrative Rule N.J.A.C. 16:25, was re-adopted on June 6, 2023. The rule is being amended to include the language for Prohibition on Certain Telecommunications and Video Surveillance Services and Equipment with Broadband Infrastructure Deployment. The amending of the rule is anticipated to be completed by the end of 2024. The regulatory process will have a 60-day public comment. Depending on the volume of the public comments received, the new language rule can be adopted after the comment period has ended. <p>FY 2023 CAP Update: No change to current plan as corrective actions have been partially implemented as of December 2023. Steps taken to date by DOT include:</p> <ul style="list-style-type: none"> • Utility Accommodation (UA) is a rule not a policy and as such the FHWA has accepted the rule as the Department’s Utility Accommodation Policy (UAP). • NJDOT readopted N.J.A.C 16:25, Utility Accommodation, on June 6, 2023. N.J.A.C 16:25 provides the standards and procedures for the location, design, and methods of installing, maintaining, and relocating utilities within the NJDOT right-of-way when the project funding utilizes either federal or state resources. • New language in the UA to be amended will include Prohibition on Certain Telecommunications and Video Surveillance Services and Equipment along with Broadband Infrastructure Deployment. • FHWA has reviewed and approved all added language for the Prohibition on Certain Telecommunications and Video Surveillance Services and Equipment. The language for Broadband has not yet been approved by FHWA. 	<p>Vince Martorana (609) 963-1825 Vince.Martorana@dot.nj.gov</p> <p>James Lepri (609) 963-1837 James.Lepri@dot.nj.gov</p> <p>Revised Completion Date: June 30, 2026</p> <p>There is no change to the current plan, as corrective actions have been partially implemented as of September 2024. Steps taken to date by DOT include:</p> <ul style="list-style-type: none"> • The language for the rule and the policy regarding Broadband has been approved by FHWA on March 27, 2024. • A unit was created under the Utility Broadband Coordinator. • NJDOT has established a Broadband Utility Website on May 7, 2024. • A Corrective Action Notice was approved on May 10, 2024, to allow NJDOT designers to instruct Broadband companies to register as a Broadband Entity with the NJDOT Broadband Utility Coordinator. • NJDOT has established a Broadband Policy and Procedure with an effective date of July 10, 2024. • The Utility Accommodation (UA) Administrative Rule N.J.A.C. 16:25 was re-adopted on June 6, 2023. The rule is being amended to include the language for Prohibition on Certain Telecommunications and Video Surveillance Services and Equipment with Broadband Infrastructure Deployment. The amending of the rule is anticipated to be completed by the end of 2024. The regulatory process will have a 60-day public comment period. Depending on the volume of public comments received, the new language rule can be adopted after the comment period has ended

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<ul style="list-style-type: none"> An email exchange with FHWA is ongoing to work out Broadband language issues and questions. NJDOT is actively working on meeting the requirements of 23 CFR 645.215 by establishing a Broadband Utility Coordinator, creating a registration form, and creating a database for broadband companies for annual notifications of the State Transportation Improvement Program (STIP). The UA language suggested for Broadband by FHWA was not rulemaking therefore, a separate broadband policy was created to accommodate the FHWA language suggestions. <p>FY 2022 CAP Update: The NJDOT continues working to update the UAP with FHWA and by the Department’s regulatory process and has revised the completion date as noted above. NJDOT also recently responded to an FHWA audit resolution notice on December 12, 2022 that was received for this audit finding. The response letter sent to FHWA details the NJDOT’s revised corrective action timeline for completion and provides supporting details for implementation</p> <p>FY 2021 CAP Original: The New Jersey Department of Transportation (NJDOT) Utility Management unit will be working on updating its N.J.A.C Title 16 Chapter 25 Utility Accommodation Policy (UAP) that is currently in use under the program. The UAP policy’s current expiration date is February 1, 2023. The UAP will be sent to FHWA for review once it has been updated and commented on by the utility industry. NJDOT’s goal is to have the amended UAP completed and approved before the current policy’s expiration date of February 1, 2023.</p>	
Open Audit Findings from Year Ended June 30, 2020 Single Audit – None		
Open Audit Findings from Year Ended June 30, 2019 Single Audit		
<p>Community Services Block Grant (93.569) State Agency: Department of Community Affairs Federal Agency: U.S. Department of Health and Human Services</p> <p><i>Subrecipient Monitoring</i></p>		
FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2019-014 No finding in prior year	<p>FY 2024 CAP Update: There is no change to the current plan, as corrective actions have been partially implemented as of September 2024.</p> <p>FY 2023 CAP Update: There is no change to the current plan, as corrective actions have been partially implemented as of December 2023. The CSBG program is on track in fiscal year 2024 to succeed in meeting its goal of providing a combined report which includes the final programmatic monitoring report created by DCA staff and the final fiscal report from the outside auditor, WS+B. The internal reports have been completed and the final outside auditor fiscal reports from WS+B have been received. Final combined draft letters have been completed for four of the ten grantees that were monitored this year. All ten letters will be released this year to the grantees by DCA prior to the 60-day deadline.</p> <p>FY 2022 CAP Update: There is no change to the current plan, as CSBG monitoring was recommended during FY 2023. The NJ State CSBG Office provided on-site and virtual monitoring for 11 of the 25</p>	Kate Butler (609) 633-6265 Kate.Butler@dca.nj.gov Revised Completion Date: December 5, 2024. There is no change to the current plan, as corrective actions have been fully implemented as of December 5, 2024.

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

	<p>Fiscal Year 2022 subrecipients as monitoring activities were restarted in the late summer and fall of 2022. Monitoring activity was again hampered by staffing challenges, however, the time differential between the final fiscal monitoring report and the final release of a combined fiscal and programmatic monitoring letter was shortened this year to a range of 75 to 101 days. According to the CSBG State Accountability Measures, States are to release such monitoring reports grantee within 60 days of report finalization. The CSBG Office struggles with a bifurcated monitoring process but will continue to make progress in shortening delivery intervals. In calendar 2022, significant changes were made to increase the expediency of the programmatic monitoring portion. With additional staff, the CSBG Office fully expects to meet the 60-day deadline for calendar year 2023 monitoring reports release and issuance.</p> <p>FY 2021 CAP Update: As noted in the prior FY 2020 CAP update, corrective action implementation was hampered by the onset and continuation of the COVID-19 pandemic. This precluded on-site programmatic monitoring from taking place for much of CY 2020 and CY 2021. In calendar year 2021, HHS issued guidance to State CSBG Offices, permitting virtual monitoring during the pandemic. (CSBG IM-2021-160) DCA has not yet commenced this new, virtual monitoring procedure, due to staffing and COVID related limitations. DCA will recommend monitoring CSBG grantees in FY 2023. Under ordinary circumstances, the CSBG program would provide in person, on site monitoring to approximately eight or nine of the 25 total grantees each year, along with any High Risk designated grantees, which receive annual monitoring.</p> <p>FY 2020 CAP Update: Corrective actions were not fully implemented as of June 30, 2020 for this audit finding as plans to coordinate the dissemination of fiscal monitoring reports with programmatic monitoring reports were hampered by the onset of COVID-19. This precluded on-site programmatic monitoring from taking place for much of CY 2020. Fiscal monitoring reports have now been released to the grant recipients and a revised completion date of April 1, 2021 has been set.</p> <p>FY 2019 CAP: In order to ensure timely release of both the programmatic monitoring report, as completed by DCA staff in the spring of each year, and the fiscal monitoring report, as completed by the engaged independent auditing firm in the late summer of each year, DCA will now provide CSBG agencies with two separate monitoring reports, and each shall be released within 60 days of the monitoring site visit.</p>	
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Open Audit Findings from Year Ended June 30, 2018 Single Audit

Rehabilitation Services-Vocational Rehabilitation Grants to States (84.126)

State Agency: Department of Labor and Workforce Development

Federal Agency: U.S. Department of Education

Suspension and Debarment

FINDING # ¹	ORIGINAL CORRECTIVE ACTION PLAN	UPDATED PLAN & COMPLETION DATE
2018-007 No finding in prior year	FY 2024 CAP Update: There is no change to the current plan except for the revised completion date of June 30, 2025, as DLWD continues to work towards full implementation of corrective actions described and noted for this finding.	Yolanda Allen – DLWD 609-292-2000 Yolanda.Allen@dol.nj.gov

¹ Current and prior year finding number(s)

**STATE OF NEW JERSEY SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2025
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

<p>FY2023 CAP Update: There is no change to the current plan except for the revised completion date of June 30, 2024, as DLWD continues to work towards full implementation of corrective actions described and noted for this finding.</p> <p>FY 2022 CAP Update: There is no change to the current plan except for the revised completion date of June 30, 2023, as DLWD continues to work towards full implementation of corrective actions described and noted for this finding.</p> <p>FY 2021 CAP Update: There is no change to the current plan as ongoing COVID-19 priorities have continued to delay the implementation of corrective actions for this audit finding and the completion date was further revised to June 30, 2022. The DLWD Office of Internal Audit (OIA) planned to convene a meeting to discuss how to proceed as this finding covered multiple DLWD Divisions that include Workforce Development and DVRS. OIA planned to include both Assistant Commissioners for these divisions in the meeting along with seeking assistance from DLWD’s Fiscal and Procurement office to develop and implement procedures to ensure compliance with suspension and debarment requirements. Corrective actions are expected to be completed by the end of Fiscal Year 2022.</p> <p>FY 2020 CAP Update: There is no change to the current plan, as ongoing COVID-19 priorities have delayed the implementation of corrective actions for this audit finding and the completion date has been further revised to June 30, 2021.</p> <p>FY 2019 CAP Update: Corrective actions for this finding were not fully implemented for the FY 2019 audit period ended June 30, 2019. There is no change to current plan, as DLWD continues to work to put procedures in place across the many federal programs this requirement applies to. Revised expected completion date is June 30, 2020.</p> <p>FY 2018 CAP: As this issue also affects other areas within DLWD, the Department will develop a procedure by which the State debarment list and the federal Excluded Parties List System maintained by the General Services Administration will be reviewed and documented prior to a contract or grant being awarded.</p>	<p>Charyl Yarbrough – DLWD (609) -341-5712 Charyl.Yarbrough@dol.nj.gov</p> <p>Revised Completion Date: June 30, 2026</p> <p>There is no change to the current plan, as corrective actions are still in the process of implementation. The New Jersey Department of Labor and Workforce Development (NJDLWD) continues to work towards the full implementation of corrective actions described and noted for this finding.</p>
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¹ Current and prior year finding number(s)